

# Annual Report 2010



بنك قطر الأول للاستثمار  
Qatar First Investment Bank

# About Growth





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## Board Members



**Mr. Abdullah bin Fahad bin Ghorab Al Marri**  
*Chairman - State of Qatar*



**Mr. Ibrahim Al Jumaih**  
*Vice Chairman - Kingdom of Saudi Arabia*



**Mr. Ibrahim Mohamed Ibrahim Al Jaidah**  
*State of Qatar*



**Mr. Ahmed bin Abdullah Al Marri**  
*State of Qatar*



**Mr. Anwar Bukhamseen**  
*State of Kuwait*



**Sh. Hamad bin Nasser bin Jasim Al Thani**  
*State of Qatar*



**Sh. Khaled bin Khalifa Al Thani**  
*State of Qatar*



**Mr. Khalid Abdullah Khouri**  
*United Arab Emirates*



**Mr. Ali bin Mohammed Al Obaidli**  
*State of Qatar*



**Dr. Fahad Al Damer**  
*Kingdom of Saudi Arabia*



**Mr. Mike de Graffenried**  
*United States of America*

Shari’ah Supervisory Board Members

Financial Highlights



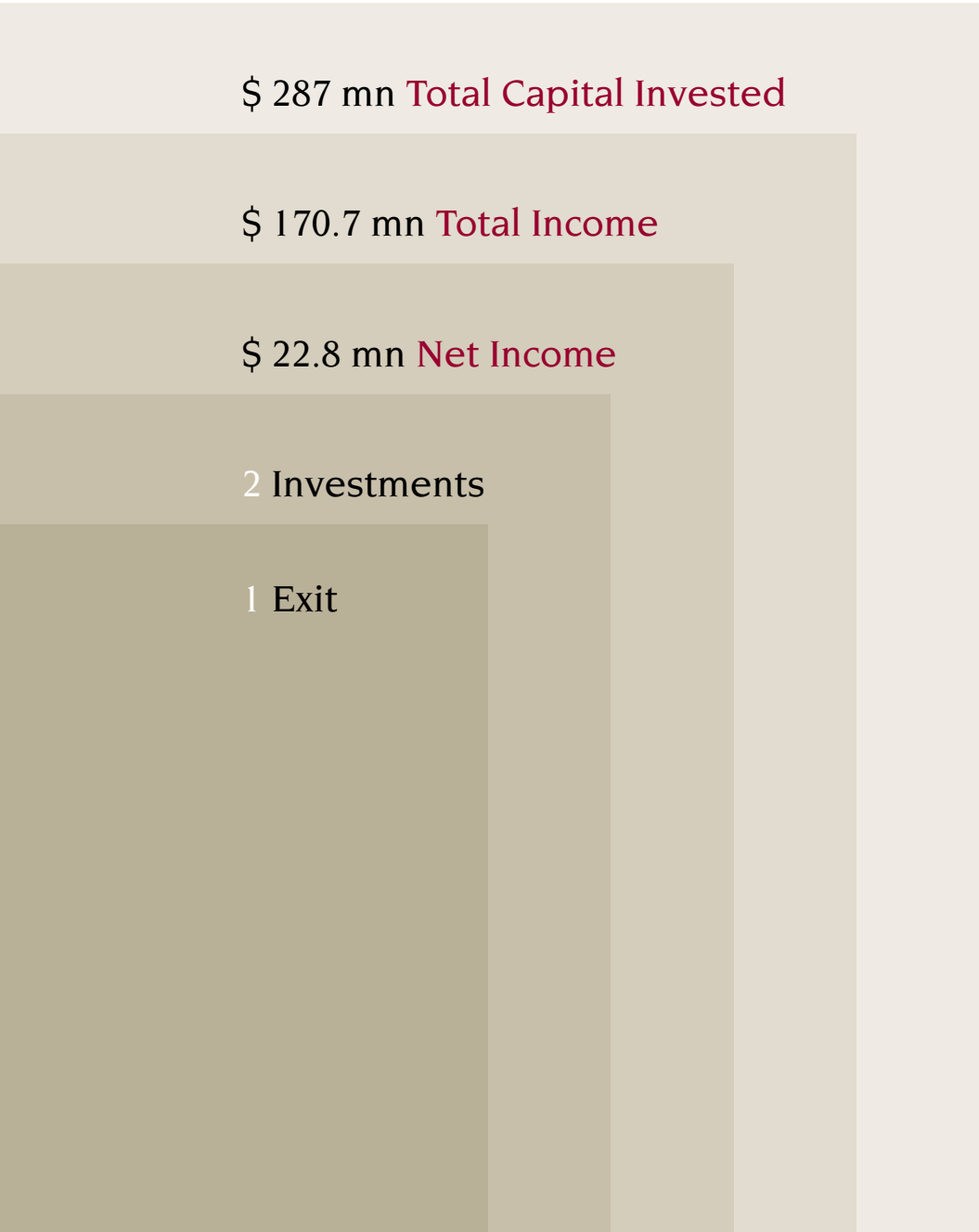
Prof. Dr. Ali Al Quradaghi  
Chairman



Shaikh Dr. Shafi Al-Hajri  
Member



Shaikh Dr. Yahia Al-Nuami  
Member





## Chairman's Message

In the name of Allah, the Most Beneficent, The Most Merciful. Prayer and Peace be upon our Prophet Mohammed, His Comrades and Relatives.

It gives me a great pleasure to present you with the annual report of Qatar First Investment Bank which reflects our major achievements during the second year of operations and the financial highlights of the period ending 31st December 2010.

The global economy started to show sluggish signs of recovery during 2010 as major equity markets recovered parts of their losses, and other financial institutions managed to rebuild their capital. This economic recovery varied according to regions. In advanced economies, recovery was slow compared to past standards, whilst in emerging economies, the recuperation was more vigorous.

The GCC region has weathered the global meltdown exceptionally well. The respective governments adopted prudent monetary and fiscal policies which supported economic growth. As a result, GCC economies witnessed a better real GDP growth rates during 2010 propelled by an increase in oil prices and the recovery of main export markets.

The State of Qatar, continued its steady growth rate. The ongoing expansion of energy related projects, coupled with the government's support of the banking system and increase in public expenditure helped maintain strong economic growth in 2010. This confidence was further reinstated when Qatar was awarded the bid to host the FIFA World Cup in 2022. As a result, public expenditure is expected to reach approximately USD 65bn to be allocated across various sectors. This event will certainly attract more foreign capital to the country.

As far as the Islamic financial industry is concerned, it still managed to undergo a period of sustained growth recording a 20% increase in 2010. According to a study by Ernst & Young, the assets of the Islamic financial services sector are expected to reach a trillion dollars and an increase in size to \$ 25 billion in the year 2015. This indicates that there is a plenitude of opportunities to capitalize on, as the Bank further cements its market position and continues to strive to become the bank of choice for investors seeking opportunities in the region.

During 2010 we continued to pursue our prudent investment strategy based on sector and geographic diversity. We focused on sectors that are benefiting from key drivers of economic change, including energy, financial services, industrials, real estate and health care services. These sectors are generally at an embryonic stage in our target markets and are primed to benefit substantially from the macroeconomic growth in the region that is fuelled by the wealth of natural resources and increased government expenditure on development.

I am pleased to report that during the course of 2010, the Bank executed two deals in the health care sector spanning two different geographies, Turkey and UAE. Meanwhile, we exited one of our investments in the real estate sector. In addition, all of our existing portfolio companies are performing well which resulted in a year of strong growth for the Bank. Also, for the first time since our operations, we will distribute dividends to our shareholders. The distribution of a cash dividend of 5% of the nominal value of share capital is recommended by the Board of Directors to the General Assembly.

It seems that 2011 will be more challenging given the current political turmoil in the Middle East. The whole region is bound to witness changes on the political and economic fronts. In spite of this unstable situation, we remain optimistic, as with change opportunities will surface. We at QFIB are now more ready than ever to capture these opportunities. In the meantime, we are keeping a close eye on Qatar, as there will be ample opportunities for investments across various sectors in light of winning the bid to host the 2022 FIFA World Cup. The Bank aims to play an active role in sourcing viable investment opportunities and providing services for investors that will maximize shareholders' returns.

On behalf of the Board of Directors, I take this opportunity to extend my sincere appreciation to His Highness the Emir, Sh. Hamad Bin Khalifa Al Thani and His Highness the Crown Prince Sh. Tamim Bin Hamad Al Thani for their continuous support to the financial institutions in the State of Qatar. I would also like to express my sincere gratitude to our shareholders and business partners for their continuous loyalty and support; to our Shari'ah Supervisory Board for their wise council and guidance and to the bank's management and staff for their dedication and contribution to the success of the bank's business plan.

May Allah enlighten our path and bless us to realize our vision of becoming a leading Shari'ah compliant investment bank in the region.

Abdullah bin Fahad bin Ghorab Al Marri  
Chairman





## Management Review

It is with great pleasure that I present you the management's review of operations of Qatar First Investment Bank for 2010.

The year 2010 was challenging in many respects. Even though global markets started to show signs of slow recovery from the economic crisis, securing good quality investment opportunities proved to be tough. We analyzed 50% more transactions than the previous year, however, the quality of majority deals was not promising. Nevertheless, we managed to secure sufficient deal flow to close our second year of operation with very positive results driven by strong performance across all existing business lines. We recorded during 2010 a gross income of US\$ 170.7mn and a net income of US\$ 22.8mn. We managed to invest a total of US 287mn of our capital. Our human capital also increased from 51 to 79 employees at the end of 2010.

During 2010 we continued to build control functions, improve our overall operating environment and enhance IT systems to better prepare us for the next stage of development. We initially started our operations with Principle Investments; however, after supporting our team with additional seasoned professionals, we are now able to offer asset management, corporate advisory and placement services in addition to treasury products.

A major milestone during the past year was the approval of Qatar Financial Centre to our application for an upgrade of our banking license from Category 2 to Category 5. Immense efforts have been exerted to achieve this milestone. With this new license we are able to broaden our product offering to include raising Shari'ah compliant deposits and financing. We are now delivering the final touches to launch the new services which will be offered to the ultra high net worth community of investors.

We maintained our structured and systematic approach to making proprietary investments. Throughout the course of the year, we evaluated numerous opportunities, we rigorously screened each and every prospect with a watchful and keen eye on managing deal related risk as well as overall financial performance risks. We believe we managed to strike a good balance between the two.

The healthcare sector was where we focused our investments during 2010. Healthcare is a key sector within our Principal Investments as it is experiencing rapid growth in the MENA region driven by population growth. Furthermore, it has proven to be resilient during economic downturns and as such, it is widely regarded as a defensive sector. We executed two major deals in the healthcare sector. The bank acquired a 20% stake in Memorial Health Group (MHG), a leading class A hospital in Turkey. As the largest Islamic country in Europe and the Middle East, the Turkish market is important to us for its favourable demographics and political stability.

The second transaction was acquiring ownership stake in Astro SPV, which invests in medical care companies that work in the field of hospitals, pharmaceuticals and medical supplies in UAE. Astro SPV first investment was in Al Noor Medical Company ("Al Noor"), a leading healthcare service provider in Abu Dhabi.

In order to take advantage of the growing demand for Shari'ah based asset management business in the region, we partnered with Gulfmena Alternative Investments to establish a one stop Shari'ah compliant asset management company. The new company will meet the needs of the Islamic investment community by providing a fully integrated range of Shari'ah compliant products and services covering all asset classes. QFIB owns a majority of the new company which we expect to launch soon with its own individual brand identity.

In December 2010, we successfully exited one of our investments in the real estate sector. The bank made sound returns on this transaction. We hope to be able to replicate this success with other investments.

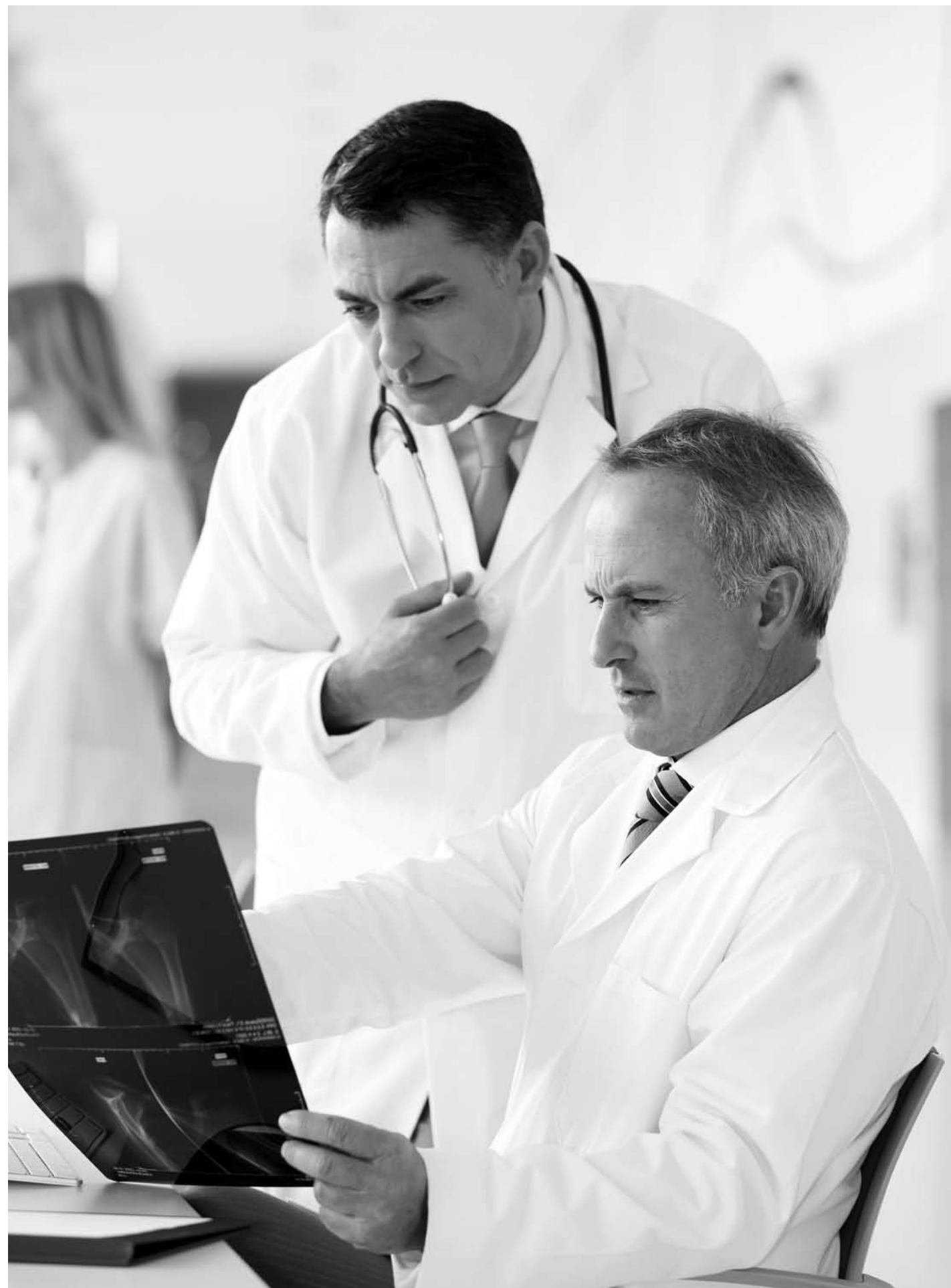
During 2010, we continued to invest heavily in our IT infrastructure. We commissioned Ernst and Young Qatar to undergo a complete audit review of the different risk associated within our IT department and data centre. As result of this exercise, the Bank was able to attain the ISO 27001 certification, which underlines the Bank's commitment to establish an IT governance framework and world class infrastructure to support the growing needs of the business.

In response to requests from our shareholders, we developed a unique in-house share exchange platform. This new process will enable our shareholders to exchange and sell shares with each other as well as third parties. The share exchange platform has been established in accordance to the highest technical standards to ensure security and confidentiality. We expect this process to be fully operational by early 2011.

Beyond generating revenues, we have an important role to play in the development of the local community which we are a part of. To this end, during the course of the year we organized several initiatives such as the celebration of Garangouh with the children of Dhreima and visits to the children's warden at Hamad hospital. We also partnered with the locally based non profit organization Injaz. Ten members of our staff joined Injaz's corporate volunteers programme to help deliver their courses to different local schools in Qatar.

We expect the economic backdrop in 2011 to be as challenging as the previous year. We are witnessing a complete and fundamental change in the geo-political environment within our region. However, we remain optimistic that this change will generate viable investment opportunities to pursue given the growing demand for Shari'ah compliant financial services in Qatar and the rest of the MENA region. With your support, our extensive network of relationships and our team of seasoned professionals we will dedicate all our efforts to making Qatar First Investment Bank, a leading financial institution serving the growing needs of our region.

**Emad Mansour**  
Chief Executive Officer



- The Healthcare sector in the MENA region, in particular the GCC countries, has shown considerable resilience in the face of the economic downturn recording a 9% growth during 2009. Experts foresee a positive outlook for GCC Healthcare with the value to triple during the coming years to reach USD55 billion in 2020 which translates into a 9% growth rate p.a.
- The sharp increase in GCC Healthcare needs is driven by the region's rising populations, higher prevalence of affluent lifestyle diseases, and increasing per capita healthcare spending across the region.
- GCC population growth will see the region's 40 million inhabitants double over the next 20 years, a figure that will raise the cost of healthcare in the GCC by 240 per cent over this period.
- The average age of a GCC inhabitant is now 76 years, which is just two years less than that of a US citizen and a figure that is between 20-50 per cent more than the various Gulf State countries life expectancies in 1970. The relatively rapid improvement in longevity reveals the great strides forward that have been made in the region's healthcare provision over the last 40 years.
- Although the GCC standard of two to three doctors per 1,000 people is broadly consistent with developed healthcare markets around the world, the current provision of hospital beds on a similar scale puts the region some distance behind. The most recent figures show UK offering four beds per 1,000 people, with France and Germany offering eight beds and Japan a remarkable 14.
- There is an estimated USD 10 billion worth of healthcare projects that are planned or underway in the GCC. More than 200 hospital projects have been announced or are under construction with a cumulative capacity of up to 27,000 beds, most of which are expected to be operational during 2015.
- At present, GCC governments shoulder more than 75% of healthcare expenditure, on average, however, even those countries with deep pockets may not have enough, in decades to come, to cope with the rising cost of healthcare.
- Governments now recognize that they need private sector support. This is widely evident by the plans put in place to reform rules and regulations governing the industry with the view of attracting more private sector healthcare investments.



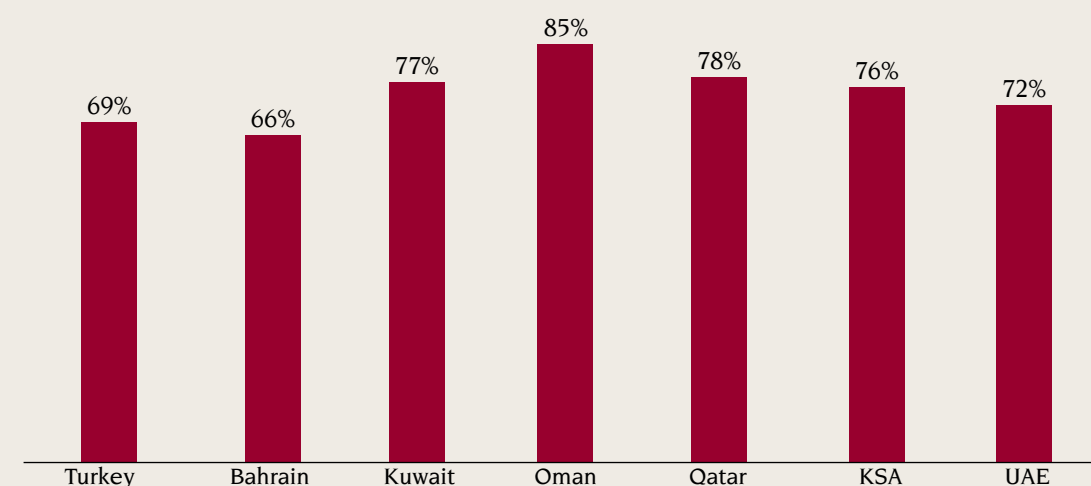
## Turkish Healthcare Sector



Aya Sophia Mosque, Istanbul - Turkey

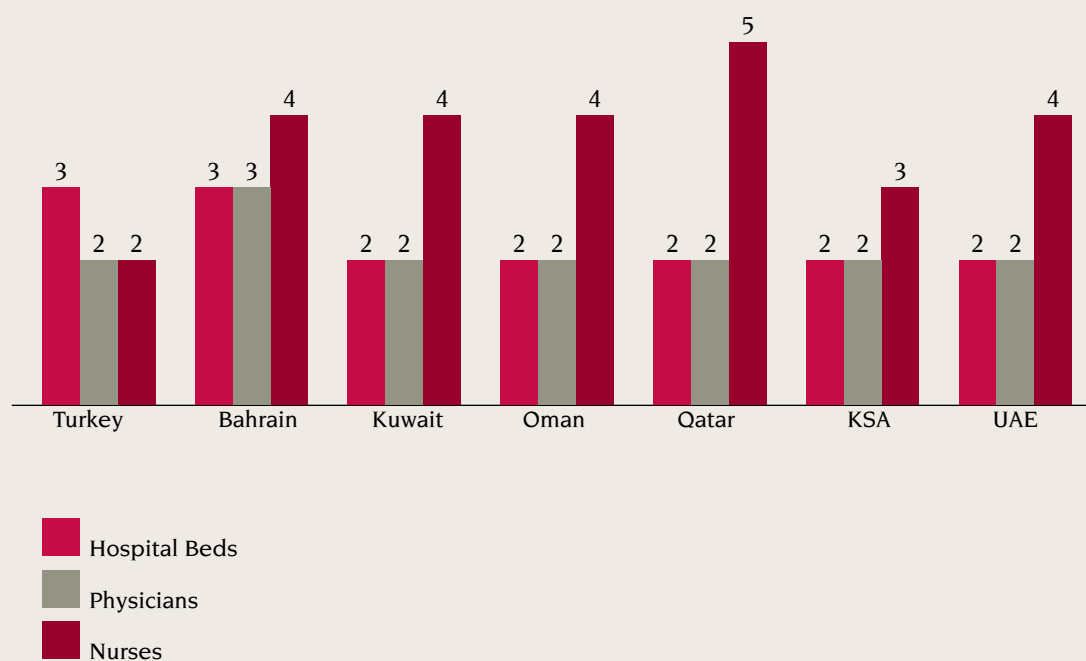
- The Turkish healthcare sector is set for unprecedented growth as the government is implementing a spate of reforms to increase the private sector contribution since it is not able to meet the increasingly growing demand. The intention of the reforms is to increase the efficiency, productivity, and the quality of the healthcare services.
- Combined with a growing population (increasing at 1.6% rate p.a.), an increase in annual disposable income, and a gradual increase in life expectancy, the Turkish healthcare spending contribution to GDP would increase from a current 5.9% to 9.7% in 2033.
- In 2009, Turkish healthcare expenditure recorded TL 82 billion recording a 13% yoy growth. For the past 7 years, the sector has been increasing at a CAGR of 15%. Private hospitals' share in total treatment expenditures has been increasing continuously for the last 4 years and reached 31% during 2009 while it was only 13% back in 2004.
- Healthcare spending per capita grew, in real terms, by an average of 6.9% per year between 2000 and 2006, higher than OECD average of 6.1% and one of the fastest growth rates of all OECD countries. Per capita health expenditure as of 2008 is estimated to be approximately \$858 (in ppp terms).
- Turkey has a 15% share of the 148 hospitals worldwide with Joint Commission International accreditation (a leading benchmark for quality assurance in the global healthcare industry).

2009 Public Healthcare Expenditure (% of Total HC Expenditure)

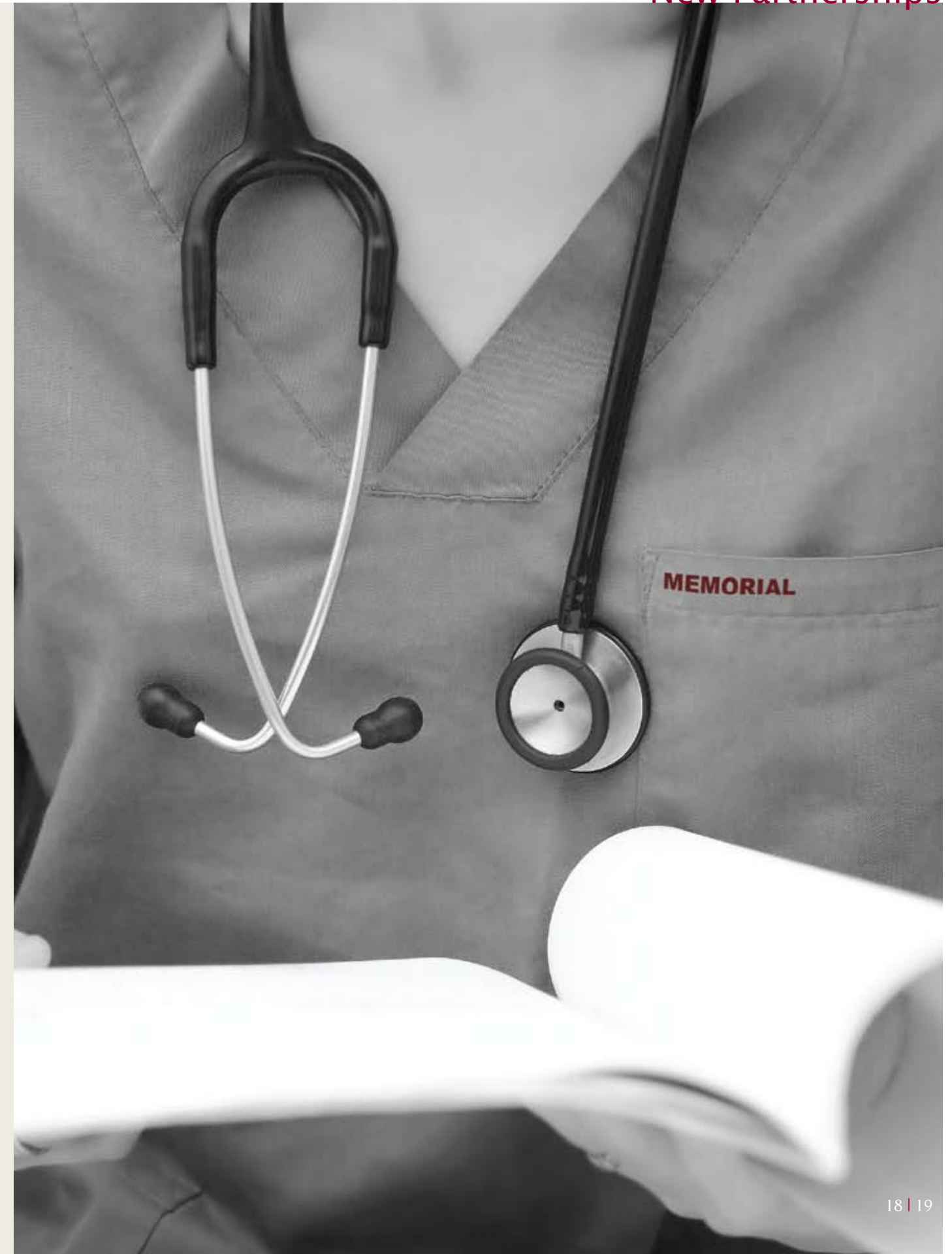


- The majority of hospital services in Turkey are provided by the MOH, universities and the private sector. The MOH has 62% of the country's 1,382 hospitals, 65% of beds, and 42% of hospital-based physicians. The private sector owns 29% of hospitals which account for 10% of beds and 9% of physicians. Finally, university hospitals account for just 4% of total hospitals, 14.7% of total beds, but have 31% of the physicians in the country (and 40% of all specialists).
- Despite considerable increases in training in the health care sector during the past two decades, Turkey has relatively few health personnel compared to other countries. In 2008, Turkey had 1.6 physicians per 1,000 people, two times less than the OECD average of 3.1. Similarly, there were only 2.1 nurses per 1,000 people in Turkey in 2008, a much lower figure than the average of 9.7 in OECD countries.
- During 2006, the government established a centralized state insurance system (SGK) which covered the majority of the population. The SGK system funds the public as well as the private healthcare system.
- Although there are numerous private insurance companies operating in Turkey, private medical insurance (PMI) is not very developed. Of the current 61 private insurance companies, only 32 provide PMI policies. During 2009, the PMI market grew at a 6.4% yoy growth rate covering 1.5 million persons (around 2.1% of total population).

2009 Available Medical Facilities (per 1,000 Population)



Source: Turkish MOH, City of London College Oxford Business Group, SGK Statistics, Daruma Corporate Finance.







# 28.0%

## Stake

Date	Sector	Stake
April 2010	Healthcare	28.0%

## Astro SPV

### Investment description

- QFIB acquired ownership stake in Astro SPV-Cayman Islands, which invests in medical care companies that work in the field of hospitals, pharmaceuticals and medical supplies in UAE.
- Astro SPV first investment was in Al Noor Medical Company (“Al Noor”), a leading healthcare service provider in Abu Dhabi.

### About Al Noor Medical Company (Al Noor)

- Al Noor Medical Company (Al Noor), established in 1985 in Abu Dhabi as integrated healthcare service provider comprising 3 hospitals, 2 clinics, 8 pharmacies and 1 warehouse.
- Al Noor, provides primary and secondary healthcare services through operating a total of 300 beds and employing around 2,700 staff.
- The team is led by Dr. Kassem Al Oum who co-founded Al Noor alongside Sheikh Mohammed Bin Butti.

### Major highlights

- One of the largest private healthcare providers in Abu Dhabi with a strong first mover advantage.



# 20.0%

Stake

Date	Sector	Stake	Country
August 2010	Healthcare	20.0%	Turkey

## Memorial Health Group

### Company description

- Memorial Health Group (Memorial), founded in 1995, is one of the leading private Class A healthcare providers in Turkey operating seven hospitals (three in Istanbul and four in Antalya) with capacity of 855 beds and two medical centers (Etiler and Suadiye in Istanbul).
- Memorial is developing a new hospital in Diyarbakir that is expected to be operational by July 2011 increasing the number of beds to 1,000.

### Major highlights

- Strong historical revenue growth of CAGR 33% between 2001 and 2009.
- Strong market share of 10.6% of outpatients and 18.8% of inpatients in the A+ private hospital groups category in Istanbul.
- Memorial was the first hospital to receive Joint Commission International (JCI) accreditation in Turkey.
- Memorial acquired a majority stake in An-Deva Health Group in Antalya in 2011, which has the capacity of 250 beds, 9 surgery rooms, 150 doctors and 1,000 personnel, thus reinforcing its presence in one of the fast growing cities in Turkey. The acquisition will benefit Memorial with synergies created between Memorial's Antalya hospital and An-Deva hospitals.





100.0%

Stake

Acquisition Date	Sector	Stake	Country
August 2009	Real Estate	100.0%	Qatar

QFIB Tower

Asset description

- Prime location on C-Ring Road in Al Sadd, Doha. The tower is fully authorized by the Qatar Financial Centre (“QFC”).
- Featuring 10 floors of office space, a mezzanine and ground floor.

Major Highlights

- Situated in a fast-developing business district providing office space for various tenants.
- The tower serves as QFIB’s headquarters whilst other tenants include prestigious names such as: Al Jazeera Finance, Al Daman Insurance Company (Beema) and Qatar Islamic Bank (QIB).
- Continued demand for prime office space supports the attractive yield that the QFIB tower offers.
- QFIB rebranded the tower turning it into a visual landmark on the Doha skyline.

Transaction structure

- Acquisition: QFIB acquired the tower from Al Jazeera Finance.
- Exit: QFIB sold the tower.

Exit Date	Holding Period	Equity Multiple	IRR
December 2010	17 months	1.35x	40%



## Partnership with Gulfmena Alternative Investments

Qatar First Investment Bank formed a strategic partnership, during the last quarter of 2010, with Gulfmena Alternative Investments (GAIL), a Dubai International Financial Center regulated firm, to establish a one stop Shari'ah compliant asset management company.

The new company will provide fully integrated range of Shari'ah compliant products and services covering all asset classes and catering to qualified investors such as foundations, charitable organizations, Awqaf, Islamic banks, Takaful companies as well as high-net worth individuals.

QFIB, the majority shareholder, is processing all the required documentation to register the new company under the Qatar Financial Center Authority. The new company will have an independent Shari'ah supervisory board and its individual brand identity. The Shari'ah compliant asset management company will be formally launched in the second quarter of 2011.



Qatar First Investment Bank is regulated by the Qatar Financial Centre Regulatory Authority (QFCRA). We are committed to complying with the rules and regulations prescribed by the QFCRA as well as maintaining a governance structure that reflects international best practice in terms of independence, oversight, accountability and transparency.

## Board of Directors

We have a Board comprising of 11 non-executive directors. Our Board of Directors is responsible for setting the overall direction of the Bank by reviewing and approving the Bank's strategy, policies, risk limits, business plan and annual budget as proposed by the Bank's management.

The Board reviews periodic reports from Board committees comprising the Executive Committee, the Audit, Risk and Compliance Committee, and Remuneration Committee regarding the status of the Bank's investments and its operations. In addition to setting the bank's overall business direction, it also ensures that the management has robust systems and controls in place to monitor risks prevalent to our business and compliance with statutory laws and regulations.

In addition, the Board has oversight of the Shari'ah Supervisory Board and appoints members which have the insight and expertise to advise the Bank on Shariah related matters.

## Board Committees

The Board ensures the implementation and management of the Bank's strategic business plans by delegating certain of its authority to Board committees and senior management. The Board has for this purpose established an Executive Committee, Remuneration Committee and a Board Audit, Risk and Compliance Committee:

**Executive Committee:** This committee comprises six non-executive directors. Its mandate is to provide an effective oversight of the Bank's business. Roles and responsibilities include review and recommend to the board strategic plans, policies and all updates, annual budget, business plans, projects assigned by the board including management of and monitoring of existing investments undertaken for the Company.

**Audit, Risk and Compliance Committee:** This committee comprises four non-executive directors. It is responsible for reviewing and having oversight over the bank's internal control arrangements with regards to internal audit, risk ,management and compliance. It is also responsible for ensuring that the financials in the Annual Report are accurate.

**Remuneration Committee:** Comprises of six non-executive directors that are responsible for agreeing with the board and determining the broad policy for the remuneration of the Chairman, Board members, and executive management as well as monitoring the levels and structures of remuneration.

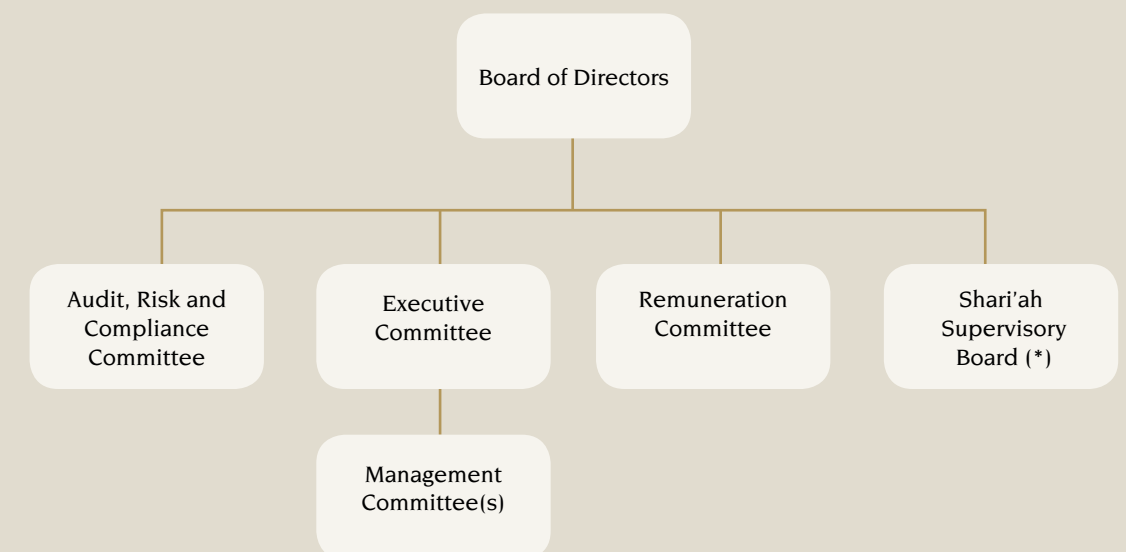
**Management Committee:** The senior management of the bank meet formally on a monthly basis to discuss both strategic and tactical issues facing the business. This Management Committee is chaired by the Chief Executive Officer and comprises of the Chief Operating Officer, Head of Private Equity, Head of Strategic Investments and the Head of Compliance.

## Shari'ah Supervisory Board

Led by Prof. Dr. Ali Al-Quradaghi, our Shari'ah Supervisory Board consists of three scholars. All members have in-depth experience in the field of Islamic Law known as fiqh al-mu'amalat. The Shari'ah Supervisory Board operates in accordance with a charter that governs its processes and procedures. The Shari'ah Supervisory Board appointed by the Board reviews our activities to ensure that all transactions are conducted in full compliance with the principles and precepts of Islamic Shari'ah. We adhere to the standards of the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI).

## Corporate Governance review 2010

As part of QFIB's ongoing commitment to corporate governance, the bank partnered with Hawkamah Institute for Corporate Governance to develop a Corporate Governance manual, for the Board of Directors. As part of its implementation, Hawkamah was invited to deliver a training presentation to the QFIB Board of Directors; the presentation included an update on the most recent corporate governance developments in the GCC and around the world, and recounted the elements of good corporate governance and the Board's role, duties and responsibility.





### INJAZ Qatar Volunteer Programme

In line with our commitment towards developing the local community, we joined Injaz Qatar company volunteers program.

INJAZ Qatar is part of INJAZ Al Arab, an affiliate of Junior Achievement Worldwide, the world's largest organization dedicated to educating students about entrepreneurship, work readiness and financial literacy through fun, experimental, hands on programs.

A group of our staff volunteered to deliver Injaz educational programs to independent schools in Qatar.

Injaz courses delivered by QFIB staff include: "Banks in Action" and "Personal economics". These courses were delivered at various local independent schools including:

- Ruqaya Preparatory Independent School for girls
- Doha Independent Secondary for boys
- Al Wakra Independent Preparatory School for girls

In recognition of QFIB's commitment to develop the Qatari youth, INJAZ Qatar selected QFIB Chairman, Abdulla bin Fahad bin Ghorab Al Marri, as one of its board members to represent the bank. Injaz Board Members includes representatives of: Amwal, ExxonMobil, Qatar Financial Centre Authority, HSBC, Carnegie Mellon University-Qatar, Deloitte & Touche, Qatar Petroleum, Al Khaliji Bank, Citibank Qatar, Otel and Blue Salon.

## Shari'ah Supervisory Board Report For the financial year ended 31 December 2010

**To the Shareholders of Qatar First Investment Bank L.L.C:**

**Praise is to Allah, Lord of the worlds; and prayers & peace be upon Our Prophet Muhammad, and upon his kinsfolk, companions and those who followed his teachings...**

In compliance with the terms of letter of appointment, the Shari'ah Supervisory Board ("SSB") of Qatar First Investment Bank ("the Bank"), have carried out its tasks as follows:

- 1- The SSB, in coordination with the management, have developed Shari'ah Standards and guidelines for the Bank and ensured their implementation;
- 2- The Executive member of SSB has formulated, reviewed and prepared all contracts and agreements presented to him during the period and has made the necessary amendments to comply with Shari'ah principles which were later approved by the SSB;
- 3- The Executive Member of SSB responded to the questions and queries presented to him by the Bank and were followed by SSB approval;
- 4- The Executive Member of SSB held a number of meetings wherein necessary principles and guidelines related to all aspects of banking activities were laid down. The Executive Member also clarified many new banking issues through finding and applying Shari'ah solutions;
- 5- The Executive Member of SSB has provided an adequate supervision over the activities of the Bank, through internal Shari'ah audit, to ensure compliance with Shari'ah principles and proper implementation of SSB's Fatwa and Resolutions;
- 6- The Executive Member of SSB has followed up practical development of the Bank, reviewed the financial statement and balance sheet to ensure that the allocation of profits and charging of losses relating to investments conform with the Shari'ah principles and his decisions were later approved by the SSB;
- 7- Moreover, we have conducted our review on the general principles of the bank as well as the transactions and deals entered into by the Bank during this period. We have also performed the diligent supervision for giving our opinion on whether the Bank has complied with Shari'ah principles as well as to the Fatwa and resolutions issued by the SSB. We have conducted our review that included examining, on a test basis, each type of transaction and the relevant documentation and procedures adopted by the Bank. We planned and performed our review so as to obtain all the information and explanations that we considered necessary in order to provide us with sufficient evidence to give assurance that the Bank has not violated any rules and principles of Shari'ah;
- 8- The SSB has calculated Zakah according to the approved guidelines and in the light of statement of financial position for 2010;

Finally, the Bank's management is responsible for implementing the provisions and principles of Shari'ah as well as abiding by specific Fatwa and guidelines issued by the SSB. As far as our responsibility is concerned, it is limited only to expressing an independent opinion, approving the contracts, reviewing and auditing the operations of the Bank.

### **Shari'ah Supervisory Board's Opinion:**

- a) The contracts, transactions and dealings entered into by the Bank and which were presented to us are in compliance with the rules and principles of Shari'ah;
- b) The Bank's investments have been performed through Shari'ah compliant contracts, instruments and products as approved by the SSB and they conform with the principles of Shari'ah;
- c) After reviewing the consolidated statement of financial position and the consolidated statement of net income for year 2010, nothing therein violates any provisions and principles of Shari'ah.
- d) All earnings that have been realized from sources or by means prohibited by rules and principles of Shari'ah have been- or would be- disposed off to charitable causes.

Last but not least, we avail ourselves of this opportunity to express our thanks and appreciation to the management of the bank for its response and cooperation with the Shari'ah Supervisory Board, praying for Allah Almighty to bless all their efforts for the service of Islamic economy and development of our country in a way that realizes good for all.

We supplicate to Allah the Almighty to grant us success and the straight path.



**Shaikh Dr. Ali Mohi - Aldeen Al - Quradaghi**  
Chairman and Executive Member of the Shari'ah Supervisory Board



## Independent auditors' report to the shareholders of Qatar First Investment Bank L.L.C

We have audited the consolidated financial statements of Qatar First Investment Bank L.L.C ("the Bank") and its subsidiary (the "Group") for the year ended 31 December 2010, from which the summarised consolidated financial statements were derived, in accordance with the International Standards of Auditing and Auditing Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions. In our report dated 21 March 2011 we expressed an unqualified opinion on the Group's consolidated financial statements.

In our opinion, the accompanying summarised consolidated financial statements are consistent, in all material respects, with the Group's consolidated financial statements.

For a better understanding of the Group financial position and the results of its operations for the year ended 31 December 2010 and the scope of our audit, the summarised consolidated financial statements should be read in conjunction with the Group's consolidated financial statements from which the summarised consolidated financial statements were derived and our audit report thereon.

### Ahmed Badawi

of PricewaterhouseCoopers  
Auditor's Registration No.249  
21 March 2011

## Summarised consolidated statement of financial position As at 31 December 2010

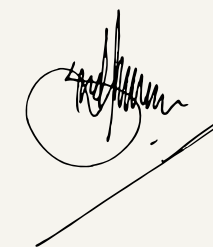
(Amounts in United States Dollars thousands)

	Notes	2010	2009
<b>Assets</b>			
Cash and balances with banks		76,002	33,455
Placements with financial institutions	3	114,154	215,614
Accounts receivable	4	40,150	37,222
Inventories	5	30,546	23,794
Available for sale investments	6	17,033	20,956
Investment in associates	7	147,915	44,893
Investment properties	8	19,960	50,219
Other assets	10	16,189	24,745
Fixed assets	9	149,039	135,144
Intangible assets		2,061	1,890
<b>Total assets</b>		<b>613,049</b>	<b>587,932</b>
<b>Liabilities and shareholders' equity</b>			
<b>Liabilities</b>			
Financing from financial institutions	11	94,927	88,629
Other liabilities	12	32,299	36,449
Total liabilities		127,226	125,078
<b>Shareholders' equity</b>			
Share capital	13	431,476	431,451
Reserves		154	-
Retained earnings		22,084	670
Total equity attributable to the shareholders of the parent		453,714	432,121
Non-controlling interest		32,109	30,733
Total shareholders' equity		485,823	462,854
<b>Total liabilities and shareholders' equity</b>		<b>613,049</b>	<b>587,932</b>

These summarised consolidated financial statements were authorised for issuance by the Board of Directors on 20 March 2011 and signed on their behalf by:



**Abdulla Bin Fahad Bin Ghorab Al-Marri**  
Chairman



**Emad Rashed Mansour**  
Chief Executive Officer

The attached explanatory notes 1 to 22 form an integral part of these summarised consolidated financial statements.



## Summarised consolidated statement of net income

### For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

			Period from 4 Sep 2008 to 31 Dec 2009
	Notes	2010	
<b>Income</b>			
Revenue from non-banking activities	14	125,264	55,591
Gain on disposal of investment property	8	19,973	-
Share of profit of associates	7	16,035	10,128
Income from placements with financial institutions		2,683	9,294
Income from available for sale investments		541	-
Other income	15	6,174	1,479
Negative goodwill resulting from acquisition of subsidiary		-	8,792
Gain on sale of available for sale investment		-	304
<b>Total income</b>		<b>170,670</b>	<b>85,588</b>
<b>Expenses</b>			
Non-banking activity expenses	14	120,182	52,784
Staff costs		15,462	21,112
Other operating expenses	16	7,341	8,212
Depreciation and amortisation		3,444	1,921
<b>Total expenses</b>		<b>146,429</b>	<b>84,029</b>
Net income before tax		24,241	1,559
Tax expense		(1,451)	-
<b>Net income after tax</b>		<b>22,790</b>	<b>1,559</b>
<b>Attributable to:</b>			
Shareholders of the parent		21,414	670
Non-controlling interest		1,376	889
<b>Net income for the year / period</b>		<b>22,790</b>	<b>1,559</b>
Basic earnings per share – US cents	17	2.48	0.08

The attached explanatory notes 1 to 22 form an integral part of these summarised consolidated financial statements.

## Summarised consolidated statement of changes in shareholders' equity

### For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

	Attributable to shareholders of the parent					Non-controlling interest	Total for the group
	Share capital	Retained earnings	Investment fair value reserve	Currency translation reserve	Total reserves		
Issuance of the capital	431,451	-	-	-	-	-	431,451
Beginning balance at acquisition date of the subsidiary	-	-	-	-	-	29,844	29,844
Net profit for the period	-	670	-	-	-	889	1,559
<b>Balance at 31 December 2009</b>	<b>431,451</b>	<b>670</b>	<b>-</b>	<b>-</b>	<b>- 432,121</b>	<b>30,733</b>	<b>462,854</b>
Balance at 1 January 2010	431,451	670	-	-	- 432,121	30,733	462,854
Issuance of the capital	25	-	-	-	- 25	-	25
Fair value adjustment	-	-	1,170	-	1,170	-	1,170
Currency translation adjustment	-	-	-	(1,016)	(1,016)	-	(1,016)
Net profit for the year	-	21,414	-	-	- 21,414	1,376	22,790
<b>Balance at 31 December 2010</b>	<b>431,476</b>	<b>22,084</b>	<b>1,170</b>	<b>(1,016)</b>	<b>154 453,714</b>	<b>32,109</b>	<b>485,823</b>

The attached explanatory notes 1 to 22 form an integral part of these summarised consolidated financial statements.

## Summarised consolidated statement of cash flows For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

	2010	Period from 4 Sep 2008 to 31 Dec 2009
<b>Operating activities</b>		
Net income for the year/period	22,790	1,559
Adjustments for:		
Gain on sale of available for sale investment	-	(304)
Gain on disposal of investment property	(19,973)	-
Share of profit of associates	(16,035)	(10,128)
Gain on sale of fixed assets	(78)	(136)
Depreciation and amortisation	9,733	6,116
Negative goodwill resulting from acquisition of subsidiary	-	(8,792)
Provisions (net)	525	(485)
	<b>(3,038)</b>	<b>(12,170)</b>
<b>Net changes in:</b>		
Accounts receivable	(3,279)	(6,856)
Inventories	(6,917)	(781)
Other assets	(7,157)	(2,731)
Other liabilities	(4,150)	21,943
<b>Net cash used in operating activities</b>	<b>(24,541)</b>	<b>(595)</b>
<b>Investing activities</b>		
Acquisition of subsidiary, net of cash acquired	-	(22,807)
Acquisition of investment in associates	(91,000)	(50,470)
Purchase of available for sale investments	(10,000)	(25,953)
Purchase of investment property	-	(50,981)
Purchase of fixed and intangible assets	(27,410)	(14,382)
Dividends received	18,702	-
Proceeds from sale of available for sale investment	-	5,304
Proceeds from sale of investment property	68,681	-
Proceeds from sale of fixed assets	332	197
<b>Net cash used in investing activities</b>	<b>(40,695)</b>	<b>(159,092)</b>
<b>Financing activities</b>		
Issuance of share capital	25	431,451
Net change in financing from financial institutions	6,298	(22,695)
<b>Net cash flows from financing activities</b>	<b>6,323</b>	<b>408,756</b>
Net (decrease) increase in cash and cash equivalents	(58,913)	249,069
Cash and cash equivalents – at the beginning of the year/period	249,069	-
<b>Net cash and cash equivalents at the end of the year/period</b>	<b>190,156</b>	<b>249,069</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and balances with banks	76,002	33,455
Placements with financial institutions	114,154	215,614
	<b>190,156</b>	<b>249,069</b>

The attached explanatory notes 1 to 22 form an integral part of these summarised consolidated financial statements.

## Notes to the summarised consolidated financial statements For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

### 1. Legal status and principal activities

Qatar First Investment Bank L.L.C (“the Bank”) is an Islamic bank, which was established in State of Qatar as a limited liability company to operate under Qatar Financial Centre. The Bank was authorised, as per QFC No. 91 dated 4 September 2008, by the Qatar Financial Centre Regulatory Authority (QFCRA) as an Islamic Financial Institution and to conduct the following regulated activities:

- Dealing in investments,
- Arranging deals in investments,
- Arranging credit facilities,
- Providing custody services,
- Arranging the provision of custody services,
- Managing investments,
- Advising in investments, and
- Operating a collective investment fund

On 30 June 2010 the bank has been granted a category 5 license under which the following additional regulated activities can be undertaken, however the bank has not yet started operation in the newly granted activities as at 31 December 2010.

- Deposit taking,
- Providing credit facilities

All the Bank’s activities are regulated by the QFCRA and are conducted in accordance with the Islamic Shari’a principles, as determined by the Shari’a Supervisory Board (SSB) and in accordance with the provisions of its Articles of Association. The Bank operates through its head office located in Suhaim bin Hamad Street, Doha, State of Qatar.

### 2. Significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are as given below.

#### a) Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of investment securities at fair value. The consolidated financial statements of the Group have been prepared in accordance with the Financial Accounting Standards (“FAS”) issued by the Accounting and Auditing Organisation for Islamic Financial Institutions (“AAOIFI”) and International Financial Reporting Standards (“IFRS”), where AAOIFI guidance is not available.

#### b) Subsidiary

Subsidiaries are all entities (including special purpose entities) over which the Group has directly or indirectly the power to govern the financial and operating policies (Control) generally accompanying a shareholding of more than one half of the voting rights. The existing and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Notes to the summarised consolidated financial statements (continued)  
For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

**2. Significant accounting policies (continued)**

**b) Subsidiary (continued)**

Non-controlling interest represents the portion of profit or loss and net assets not owned, directly or indirectly, by the Group and are presented separately in the consolidated statement of net income and within shareholders' equity in the consolidated statement of financial position, separately from the parent shareholders' equity.

The financial statements of the subsidiaries are prepared for the same reporting year as the Bank, using consistent accounting policies.

**Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Bank and its subsidiary as at and for the year ended 31 December each year. All intra-group balances, transactions, income and expenses and unrealised profits and losses resulting from intra-group transactions are eliminated in full on the consolidation. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

The bank has the following subsidiary as at 31 December 2010:

Subsidiary	Activity	Percentage of ownership	Year of Incorporation	Country
Emirates National Factory for Plastic Industries L.L.C (ENPI)	Manufacturing	71.30%	1995	UAE

Notes to the summarised consolidated financial statements (continued)  
For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

**3. Placements with financial institutions**

	2010	2009
Wakala investment - Principal	113,770	214,805
Wakala investment - Accrued profit	384	809
	<b>114,154</b>	<b>215,614</b>

Placements with financial institutions represent inter-bank placements in the form of Wakala investment. The average rate of return on Wakala investments is 2.15% per annum (2009: 2.23%).

**4. Accounts receivable**

a) Accounts receivables comprise of the followings:

	2010	2009
Trade debtors	40,727	37,448
Less: Provision for doubtful debts	(577)	(226)
	<b>40,150</b>	<b>37,222</b>

b) The movement on the provision for the accounts receivables is as follows:

	2010	2009
Beginning balance	226	-
Balance recognised from acquisition of subsidiary	-	457
Movement during the year/period	351	(231)
<b>Balance at the end of the year/period</b>	<b>577</b>	<b>226</b>

**5. Inventories**

a) Inventories comprise of the followings:

	2010	2009
Raw materials	22,057	17,316
Semi finished goods	2,063	1,052
Finished goods	6,639	5,407
Goods in transit	17	84
Less: Provision for slow moving inventories	(230)	(65)
	<b>30,546</b>	<b>23,794</b>

b) The movement on the provision for slow moving inventories is as follows:

	2010	2009
Beginning balance	65	-
Balance recognised from acquisition of subsidiary	-	363
Movement during the year/period	165	(298)
<b>Balance at the end of the year / period</b>	<b>230</b>	<b>65</b>

Notes to the summarised consolidated financial statements (continued)  
For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

**6. Available for sale investments**

The distribution of the available for sale investments by industry sector and geographical region is as follows:

Industry	Nature	Legal status	Country	2010	2009
<b>Quoted</b>					
Financial institutions*	Sukuk	Public	UAE	9,809	-
Oil and energy	Shares	Public	UAE	2	4
<b>Unquoted</b>					
Financial institutions	Shares	LLC	Qatar	7,222	7,222
Real estate and construction**	Shares	LLC	UAE	-	13,730
				<b>17,033</b>	<b>20,956</b>

\* The balance includes fair value loss amounting to US\$ 191 thousands (2009: Nil).

\*\* During 2010, the group has reclassified its previous investment in a real estate and construction Company from available for sale investment to investment property as a result of entering an agreement to swap its 12% share in the company by a 50% ownership in a plot of land in the United Arab Emirates (note 8).

Notes to the summarised consolidated financial statements (continued)  
For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

**7. Investment in associates**

During 2009, the bank acquired ownership stake of 40.8% in Qatar Engineering and Construction Company (Qcon), an unquoted company registered in Qatar. The principal activities of Qcon are engineering, construction and maintenance contracting for the oil, gas and petrochemicals industries.

During 2010, the bank acquired ownership stake of 28% in Astro SPV Cayman Islands, an unquoted company registered in Cayman Island. The Company invests in other medical care companies that work in the field of hospitals, pharmaceuticals and medical supplies in UAE.

The bank acquired ownership stake of 20% in Istanbul Memorial Saglik Yatirmilari A.S, an unquoted company registered in Turkey during 2010. The principal activities of the company are providing health services in Turkey.

The following summarises the movement in investment in associates during the year / period:

	2010	2009
At the beginning of year / period	44,893	-
Additions	91,000	50,470
Dividends received	(2,997)	(15,705)
Share of profit	16,035	10,128
Currency translation reserve	(1,016)	-
<b>At the end of the year / period</b>	<b>147,915</b>	<b>44,893</b>

**8. Investment properties**

The following summarises the movement in investment in properties during the year / period:

	2010	2009
At the beginning of year/period	50,219	-
Additions	18,836	50,981
Disposals	(48,708)	-
Depreciation for disposals	(1,511)	(762)
Depreciation for additions	(237)	-
Fair value adjustments	1,361	-
<b>At the end of the year/period</b>	<b>19,960</b>	<b>50,219</b>

During 2010, the Group sold a building in Qatar which resulted in a capital gain of US\$ 19.9 million.

Notes to the summarised consolidated financial statements (continued)  
For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

9. Fixed assets

	Plant & machinery	Land & buildings	Office equipment	Furniture & fixture	Electric & pipe fittings	Motor vehicle	Capital work in progress	Total
<b>Cost</b>								
Balance recognised from acquisition of subsidiary	66,881	70,484	1,185	383	4,125	2,443	401	145,902
Additions	3,163	46	2,145	4,859	373	687	871	12,144
Transfers	214	-	-	-	-	-	(214)	-
Disposals	(119)	-	(1)	-	-	(224)	-	(344)
<b>As at December 31, 2009</b>	<b>70,139</b>	<b>70,530</b>	<b>3,329</b>	<b>5,242</b>	<b>4,498</b>	<b>2,906</b>	<b>1,058</b>	<b>157,702</b>
Additions	3,324	737	550	708	826	168	20,494	26,807
Transfers	1,590	(5,487)	(33)	-	62	-	(1,652)	(5,520)
Disposals	-	-	(2)	-	-	(578)	(1)	(581)
<b>As at December 31, 2010</b>	<b>75,053</b>	<b>65,780</b>	<b>3,844</b>	<b>5,950</b>	<b>5,386</b>	<b>2,496</b>	<b>19,899</b>	<b>178,408</b>
<b>Accumulated depreciation</b>								
Balance recognised from acquisition of subsidiary	13,405	1,840	615	160	909	905	-	17,834
Depreciation charges*	2,923	499	672	225	387	302	-	5,008
Disposals	(112)	-	(1)	-	-	(171)	-	(284)
<b>As at December 31, 2009</b>	<b>16,216</b>	<b>2,339</b>	<b>1,286</b>	<b>385</b>	<b>1,296</b>	<b>1,036</b>	<b>-</b>	<b>22,558</b>
Depreciation charges*	4,091	479	898	834	712	539	-	7,553
Disposals/transfers	-	(381)	(1)	-	-	(360)	-	(742)
<b>As at December 31, 2010</b>	<b>20,307</b>	<b>2,437</b>	<b>2,183</b>	<b>1,219</b>	<b>2,008</b>	<b>1,215</b>	<b>-</b>	<b>29,369</b>
<b>Net book value</b>								
<b>As at 31 December 2009</b>	<b>53,923</b>	<b>68,191</b>	<b>2,043</b>	<b>4,857</b>	<b>3,202</b>	<b>1,870</b>	<b>1,058</b>	<b>135,144</b>
<b>As at 31 December 2010</b>	<b>54,746</b>	<b>63,343</b>	<b>1,661</b>	<b>4,731</b>	<b>3,378</b>	<b>1,281</b>	<b>19,899</b>	<b>149,039</b>

\*Depreciation charges included an amount of US\$ 6,052 thousands (2009: US \$4,195 thousands) recognised from non-banking activity.

\*Land/Buildings and Machineries are mortgaged to banks against finance of their purchase.

Notes to the summarised consolidated financial statements (continued)  
For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

10. Other assets

a) Other assets comprise the followings:	<b>2010</b>	<b>2009</b>
Advances for investments *	5,099	-
Other receivables	5,635	4,225
Margin on bank guarantees	2,047	1,059
Prepayments	1,840	2,644
Refundable deposits	1,211	685
Due from employees	640	702
Dividend receivable	-	15,705
<b>Total</b>	<b>16,472</b>	<b>25,020</b>
Provision for other receivable	(283)	(275)
	<b>16,189</b>	<b>24,745</b>

\*According to the notarised Memorandum of Association dated October 2, 2010, the Group is a shareholder of 51% of the capital of Future Plus Plastic Company (A private Joint stock Company). This item represents the Group's share of capital of the newly formed Company in the Kingdom of Saudia Arabia.

b) The movement on the provision for the other receivables is as follows:	<b>2010</b>	<b>2009</b>
Beginning balance	275	-
Balance recognised from acquisition of subsidiary	-	231
Charge for the year/period	8	44
	<b>283</b>	<b>275</b>

11. Financing from financial institutions

	<b>2010</b>	<b>2009</b>
Financing for machinery purchases	82,831	82,741
Bank overdraft	1,514	1,577
Trust receipts and LC payables	10,582	4,311
	<b>94,927</b>	<b>88,629</b>

12. Other liabilities

	<b>2010</b>	<b>2009</b>
Accounts payable	21,965	17,684
Staff-related payables	4,686	8,721
Other payables	3,122	1,636
Accrued interest & profit	1,247	563
Accrued expenses	768	873
Due to related parties	404	-
Unearned revenue	107	165
Deal-related payables	-	6,807
	<b>32,299</b>	<b>36,449</b>

Accounts payable represents mainly amounts due to various suppliers originated from regular business activities undertaken by ENPI.



Notes to the summarised consolidated financial statements (continued)  
For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

**13. Share capital**

	2010	2009
<b>Authorised:</b>		
1,000,000,000 ordinary shares of US\$1 each	1,000,000	1,000,000
<b>Issued and partially paid:</b>		
862,952,155 ordinary shares of US\$ 1 each (paid US\$0.50 each) (2009: 862,902,155 ordinary shares)	431,476	431,451
The call of the unpaid portion of capital is subject to the Board of Directors decision based on strategic requirements of the bank.		

**14. Revenue and expenses from non-banking activities**

	2010	Period from 4 Sep 2008 to 31 Dec 2009
Sales	123,775	53,313
Other income	1,489	2,278
Revenue from non banking activities	125,264	55,591
Cost of sales	(96,475)	(40,719)
Other expenses	(23,707)	(12,065)
Non banking activity expenses	(120,182)	(52,784)
<b>Net revenue from non-banking activities</b>	<b>5,082</b>	<b>2,807</b>

**15. Other income**

	2010	Period from 4 Sep 2008 to 31 Dec 2009
Rental income	5,859	1,471
Advisory fees	150	-
Other income	165	8
	<b>6,174</b>	<b>1,479</b>

Notes to the summarised consolidated financial statements (continued)  
For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

**16. Other operating expenses**

	2010	Period from 4 Sep 2008 to 31 Dec 2009
General and administrative	4,659	2,791
Public relations and advertising	516	2,034
Premises	743	1,590
Professional services	1,362	1,087
Social responsibility	59	709
Others	2	1
	<b>7,341</b>	<b>8,212</b>

**17. Basic earnings per share**

The calculation of basic earnings per share is based on the net profit attributable to the Banks' shareholders and the weighted average number of shares outstanding during the year/ period.

	2010	Period from 4 Sep 2008 to 31 Dec 2009
Net profit attributable to the shareholders of the parent	21,414	670
Total weighted average number of shares	862,948	860,051
<b>Basic earnings per share (US cents)</b>	<b>2.48</b>	<b>0.08</b>

**18. Contingent liabilities**

The Group had the following contingent liabilities as at 31 December:

	2010	2009
Letters of credit	2,569	2,910
Letters of guarantee	3,146	2,693

**19. Commitments**

During 2010, the Bank entered into 10 years lease agreement to be effective from 1st January 2011. The annual rental amount to be paid by the bank is equivalent to US\$ 6,181 thousands per annum (2009:Nil).

Notes to the summarised consolidated financial statements (continued)  
For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

**20. Related parties transactions**

Related parties comprise major shareholders, directors and senior management personnel of the Group, members of the Shari'a Supervisory Board of the Group, close family members, entities owned or controlled by them, associates and companies.

Transactions with related parties included in the consolidated statement of net income are as follows:

	2010	Period from 4 Sep 2008 to 31 Dec 2009
Revenue from non-banking activities	131	272
Share of profit of associates	16,035	10,128
Board of directors' remunerations	(769)	-
Shari'a Supervisory Board remunerations	(138)	(171)

The balances with related parties in the consolidated statement financial position are as follows:

At 31 December 2010	Shareholders/ Directors	Senior management	Other parties
<b>Assets</b>			
Investment in associates	-	-	147,915
Other assets	175	627	992
<b>Liabilities</b>			
Other liabilities	404	2,148	-
<b>At 31 December 2009</b>	<b>Shareholders/ Directors</b>	<b>Senior management</b>	<b>Other parties</b>
<b>Assets</b>			
Investment in associate	-	-	44,893
Available for sale investment	13,730	-	-
Other assets	1,291	1,462	16,627
<b>Liabilities</b>			
Other liabilities	369	2,862	-

Notes to the summarised consolidated financial statements (continued)  
For the year ended 31 December 2010

(Amounts in United States Dollars thousands)

**20. Related parties transactions (continued)**

**Compensation of senior management personnel**

Senior management personnel are those that possess significant decision making and direction setting responsibilities within the Group.

	2010	Period from 4 Sep 2008 to 31 Dec 2009
Senior management remunerations	8,425	9,369

**21. Zakah**

Zakah is directly borne by the shareholders. The Group does not collect or pay Zakah on behalf of its shareholders. Zakah payable by the shareholders is computed by the Group on the basis of the method prescribed by the Group's SSB and notified to the shareholders. Zakah payable by the shareholders for the year ended 31 December 2010 was US cents 0.82 for every share held (2009: US cents 1.51).

**22. Comparative figures**

The comparative figures represent the period from 4 September 2008 to 31 December 2009 that represented the first reporting period for the Group.