

Consolidated Interim Financial Statements For the three-months ending 31st March 2006

Auditors' Review Report to the Board of Directors of Qatar National Bank S.A.Q.

We have reviewed the accompanying interim condensed consolidated balance sheet of Qatar National Bank S.A.Q. ("the Bank") and its subsidiary as at 31st March 2006 and the related condensed consolidated statements of income for the three month period then ended and the statement of changes in shareholders' equity and cash flows for the three month period then ended. These interim condensed consolidated financial statements are the responsibility of the Bank's management. Our responsibility is to issue a report on these interim condensed consolidated financial statements based on our review.

We conducted our review in accordance with the International Standard on Review Engagements 2400. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the interim condensed consolidated financial statements are free of material misstatement. A review is limited primarily to inquiries of Bank personnel and analytical review procedures applied to financial data, and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not presented fairly, in all material respects, in accordance with International Accounting Standard (IAS) 34 – Interim Financial Reporting and Qatar Central Bank regulations.

T. F. Sexton - Ernst & Young
Qatar Auditors' Registry No. 114 10th April 2006 - Doha, State of Qatar

Condensed Consolidated Balance Sheet

(All amounts are shown in thousands of Qatari Riyals)	31st March 2006 (Reviewed)	31st March 2005 (Reviewed)	31st December 2005 (Audited)
ASSETS			
Cash and Deposits with Central Banks	2,306,637	1,782,056	2,406,327
Due from Banks and Other Financial Institutions	13,591,267	3,765,989	7,499,202
Loans and Advances and Financing Activities to Customers	33,329,171	28,171,847	31,477,500
Investments	6,890,496	9,253,329	7,585,486
Investment in Associates	52,460	-	52,460
Properties, Furniture and Equipment	531,388	510,439	467,419
Other Assets	590,464	599,099	571,762
Total Assets	57,291,883	44,082,759	50,060,156
LIABILITIES and SHAREHOLDERS' EQUITY			
LIABILITIES			
Due to Banks and Other Financial Institutions	2,996,035	2,128,009	2,598,708
Customer Deposits	40,860,789	32,417,736	36,457,014
Other Liabilities	1,001,075	1,074,438	2,046,368
	44,857,899	35,620,183	41,102,090
Unrestricted Investment Accounts	4,658,340	-	249,151
SHAREHOLDERS' EQUITY			
Fully Paid Share Capital	1,297,760	1,038,208	1,038,208
Statutory Reserve	1,297,760	1,038,208	1,038,208
Other Reserves	1,775,669	1,768,516	1,775,457
Risk Reserve	194,422	169,422	169,422
Fair Value Reserve	1,789,270	3,454,471	2,549,232
Proposed Dividend	-	-	778,656
Proposed Bonus Shares	-	-	259,552
Proposed Transfer to Statutory Reserve	-	-	259,552
Retained Earnings	1,420,763	993,751	840,628
Total Shareholders' Equity	7,775,644	8,462,576	8,708,915
Total Liabilities and Shareholders' Equity	57,291,883	44,082,759	50,060,156

Yousef Hussain Kamal
Chairman

Sheikh Hamad Bin Faisal Al-Thani
Vice Chairman

Ali Shareef Al-Emadi
Acting Chief Executive

Condensed Consolidated Statement of Income

(All amounts are shown in thousands of Qatari Riyals)	Three months to 31st March 2006 (Reviewed)	Three months to 31 March 2005 (Reviewed)
Interest Income	712,937	551,205
Interest Expense	(319,977)	(255,886)
Net Interest Income	392,960	295,319
Fees and Commissions Income	136,601	122,062
Fees and Commissions Expense	(6,703)	(5,430)
Net Fees and Commissions	129,898	116,632
Dividend Income	72,274	47,920
Net Gains from Dealing in Foreign Currencies	31,637	13,454
Gains from Investments	34,177	108,366
Income from Islamic Financing and Investing Activities	41,290	-
Other Operating Income	14,092	5,747
Total Operating Income	716,328	587,438
General and Administrative Expenses	(155,647)	(172,425)
Depreciation	(11,837)	(18,057)
Recoveries / (Provisions) for Impairment of Loans and Advances	66,416	(2,078)
Investment Revaluation Gains / (Losses)	7,372	(554)
Other Recoveries, Net of Provision	14,818	-
Unrestricted Investment Account Holders' Share of Profit	(24,207)	-
Net Profit Before Taxes	613,243	394,324
Taxes	(1,658)	(2,601)
Net Profit for the Period	611,585	391,723
Basic Earnings Per Share (QR)	4.7	3.0
Fully Diluted Earnings Per Share (QR)	4.7	3.0