

INDEPENDENT AUDITOR'S REVIEW REPORT

**To The Board of Directors
Qatar International Islamic Bank (Q.S.C.)
Doha – Qatar**

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Qatar International Islamic Bank (Q.S.C.) (“the Bank”) as at September 30, 2010 and the related interim condensed statement of income for the three and nine month periods ended September 30, 2010, and the statements of changes in shareholders’ equity, and cash flows for the nine month period then ended, and certain explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with the Financial Accounting Standards issued by the Accounting and Auditing Organisation for Islamic Financial Institutions, Qatar Central Bank Regulations and International Accounting Standard 34 - Interim Financial Reporting (“IAS 34”) respectively, and the Bank’s undertaking to operate in accordance with Islamic Shari’a rules and principles. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with Note (2) of the accompanying interim condensed financial statements and Qatar Central Bank regulations.

For Deloitte & Touche

**Doha – Qatar
October 17, 2010**

**Muhammad Bahemia
License No. 103**

QATAR INTERNATIONAL ISLAMIC BANK (Q.S.C.)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at September 30, 2010

	Note	September 30, 2010 (Reviewed) QR.'000	December 31, 2009 (Audited) QR.'000
Assets			
Cash and balances with Qatar Central Bank		891,507	642,377
Due from banks and financial institutions		1,515,883	3,864,102
Due from financing activities		12,712,888	10,136,446
Financial investments		1,845,318	657,877
Investment in associates		211,467	343,379
Investment properties held for leasing		41,970	20,578
Investment properties held for trading		304,575	304,223
Property and equipments		217,823	219,946
Other assets		452,671	362,018
Total Assets		18,194,102	16,550,946
Liabilities, Holders of Unrestricted Investment Accounts and Equity			
Liabilities			
Current accounts for banks and financial institutions		77,288	22,090
Customers' current accounts		2,761,316	2,451,729
Other liabilities		1,293,224	1,176,215
Total Liabilities		4,131,828	3,650,034
Holders of Unrestricted Investment Accounts		10,389,784	9,101,563
Equity			
Paid up share capital		1,387,547	1,387,547
Legal reserve	7	1,651,367	1,651,367
Fair value reserve		46,483	54,773
Risk reserve		126,869	126,869
Foreign currency translation reserve		(1,790)	(1,790)
Other reserve		20,787	20,787
Proposed cash dividends		--	529,791
Retained earnings		441,227	30,005
Total Equity		3,672,490	3,799,349
Total Liabilities, Holders of Unrestricted Investment Accounts and Equity		18,194,102	16,550,946

These interim condensed financial statements were approved by the Board of Directors on October 17, 2010 and signed on its behalf by the following:

Dr. Khaled Bin Thani Al Thani
Chairman and Managing Director

Abdul Basit Ahmed Al Shaibei
Chief Executive Officer

The attached notes (1- 10) form an integral part of these interim condensed financial statements

QATAR INTERNATIONAL ISLAMIC BANK (Q.S.C.)

INTERIM CONDENSED STATEMENT OF INCOME

For the three and nine month periods ended September 30, 2010

	Note	For the Three Month Period Ended		For the Nine Month Period Ended	
		September 30, 2010	September 30, 2009	September 30, 2010	September 30, 2009
		QR.'000	QR.'000	QR.'000	QR.'000
Income from financing activities		217,727	199,274	633,943	550,331
Income from investing activities		33,627	28,570	69,720	86,151
Total income from financing and investing activities		251,354	227,844	703,663	636,482
Fee income and commission		22,361	14,561	70,742	60,803
Fee expense and commission		(1,495)	(1,441)	(4,580)	(4,090)
Net commission and fee income		20,866	13,120	66,162	56,713
Gain from foreign exchange operations		4,880	2,827	7,027	3,745
Net Operating Income		277,100	243,791	776,852	696,940
General and administrative expenses		(32,163)	(29,325)	(114,526)	(92,240)
Depreciation and amortisation		(3,167)	(2,646)	(8,721)	(7,119)
Provision for impairment of financing activities		(5,000)	--	(10,000)	(5,000)
Other income / expenses	5	--	--	25,228	--
Net Profit for the Period Before Share of Profit of Holders in Unrestricted Investment Deposits		236,770	211,820	668,585	592,581
Less: Share of holders of unrestricted investment accounts in the net profit		(89,553)	(70,500)	(249,269)	(196,051)
Net Profit for the Period Due to Shareholders		147,217	141,320	419,564	396,530
Basic Earnings per Share (QR.)		1.06	1.02	3.02	2.86