



# Investor Presentation

October 2017

Confidential

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## 1. Introduction to Masraf Al Rayan



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# 1. Introduction to Masraf Al Rayan

## Corporate Profile

### Overview of Masraf Al Rayan Q.S.C (MAR or the Bank)

#### Profile

- Fully Shariah compliant bank incorporated in Qatar on 4 January 2006 and licensed by the Qatar Central Bank
- Classified as a DSIB (domestic systemically important bank)

#### Business Lines

- Corporate Banking & SME
- Retail & Private Banking
- Treasury
- Investment Banking

#### Market Share

- 2<sup>nd</sup> largest Islamic bank in Qatar by total assets (28.7% market share) <sup>1</sup>
- 4<sup>th</sup> largest amongst all Qatari banks by total assets (7.4% market share) <sup>1</sup>

#### Public Listing

- Ordinary shares listed on the Qatar Stock Exchange
- 2<sup>nd</sup> largest bank in Qatar by market capitalization (USD 7.3 bn) <sup>2</sup>

#### Rating

- Moody's upgraded standalone and long-term issuer ratings from A2 to A1 as of 25 August 2016
- Ratings affirmed at A1 by Moody's as of 5 July 2017, however, outlook changed from Stable to Negative

Source: Qatar Central Bank, Bloomberg

(1) As at 31 Aug 2017

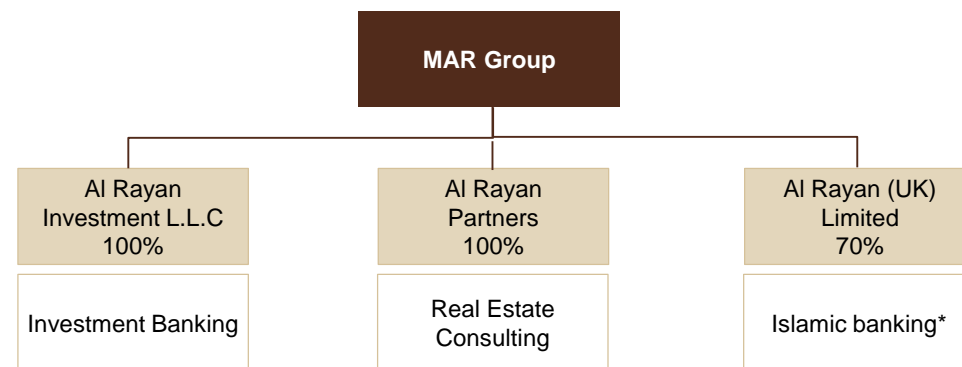
(2) As at 18 Oct 2017

*MAR's rating action reflects its strong fundamentals, while the negative outlook was assigned amidst broader decision on nine Qatari banks driven by a challenging operating environment and a change in the sovereign outlook - Moody's*

### Branch Network



### Subsidiaries



\*Via Al Rayan Bank Plc (formerly known as Islamic Bank of Britain Plc)

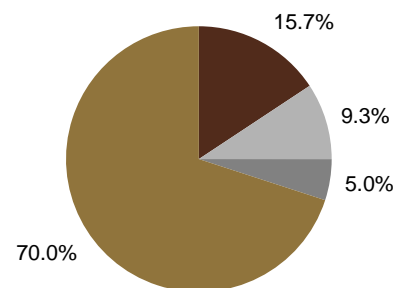
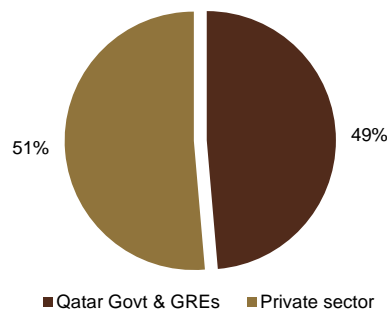
# 1. Introduction to Masraf Al Rayan cont'd

## Ownership Structure & Financial Highlights

### Shareholding Structure

- Government and government related entities hold approx. 49% of MAR's shares
- Considering both direct and indirect interest significant shareholders comprise of QIA (15.7%), Qatar Armed Forces Portfolio (9.3%) and Ezdan Holding (5.0%)

Public vs. Private Sector Ownership



- Qatar Investment Authority
- Qatar Armed Forces Portfolio
- Ezdan Holding Group
- Others

### Financial Highlights

USD mn <sup>(1)</sup> (unless otherwise stated)	FY 15	FY 16	9M 17	YoY <sup>(5)</sup>
<b>Selected Balance Sheet Items</b>				
Financing Assets (net)	17,189	18,581	18,814	1.3%
Investment Securities	4,018	3,849	6,485	68.5%
Total Assets	22,893	25,146	27,091	7.7%
Total Customer Deposits <sup>(2)</sup>	15,281	15,941	16,498	3.5%
Total Owners' Equity	3,395	3,537	3,507	0.7%
<b>Selected Income Statement Items</b>				
Net Operating Profit <sup>(3)</sup>	714.3	697.2	552.4	5.9%
Net Profit for the Period <sup>(4)</sup>	569.6	570.1	429.1	0.1%
<b>Key Ratios (%)</b>				
Cost to income ratio	20.3%	18.1%	21.9%	281 bps
Non-performing financing (NPF) ratio	0.09%	0.16%	0.15%	10 bps
Capital adequacy ratio (CAR)	18.5%	18.9%	19.17%	32 bps
Financing assets to deposits ratio	112.5%	116.6%	114.0%	-253 bps
Liquid assets to customer deposits ratio	35.5%	39.3%	48.2%	885 bps

(1) Exchange rate of USD / QAR = 3.64 is used throughout the presentation

(2) Includes Customer Current Accounts and Equity of Investment Account Holders

(3) Net operating profit is calculated as total income less return to Investment Account Holders and finance expenses

(4) Attributable to equity holders

(5) YOY change for balance sheet items and related ratios represents change in 9M 17 financials vs. FY 16. YOY change for income statement items and related ratios represents change in 9M 17 financials vs. 9M 16

# 1. Introduction to Masraf Al Rayan cont'd

## Key Credit Highlights

### Strong fundamentals underpinned by consistently high asset quality, earnings growth and strong capitalization

- One of the lowest Non Performing Financing (NPF) ratio (0.15%) in the banking industry globally
- Robust capitalization (CAR 19.17%) well above the regulatory threshold of 13.25%
- Strong efficiency (cost to income of 21.9%) the lowest in the Qatari banking industry

### Diversified and innovative product/service offerings and improved geographical diversification

- Wide array of Sharia compliant financing products, deposit accounts, treasury/investment products & advisory services
- Focus on product innovation and providing customized solutions
- Established presence in the UK market via Al Rayan (UK) servicing European, Qatari, other GCC customers

### Strong shareholding structure and likelihood of support from Qatari authorities

- Strong shareholding structure with Qatari Govt. & GREs holding approx. 49% share ownership
- Strong government related franchise providing a solid domestic asset base and funding source
- Possibility of receiving govt. support if needed given the Govt.'s past preemptive role in supporting Qatari banks

### Experienced management team and commitment to corporate governance

- Members of the Board, including the Chairman are highly respected individuals within the wider Govt. set up
- Highly experienced management team with the CEO, COO, Acting CFO and Treasurer having cumulative experience of over 100 years
- Continuously evolving and strengthening corporate governance framework by adopting global best practices

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# 2. Operating Environment

## Qatar at a Glance

### Snapshot of Qatar

#### Economic Fundamentals

- Largest exporter of LNG with a global market share of 30%<sup>(1)</sup>
- 3<sup>rd</sup> largest gas reserves in the world (c.13% of world's total)<sup>(2)</sup>
- One of the richest countries in the world on a per capita basis<sup>(1)</sup>

#### Rating

- Aa3 by Moody's (Negative), AA- by S&P (Negative) and AA- by Fitch (Negative). Rating reflects strength of the sovereign's overall credit profile despite protracted period of low oil prices, govt. finances & external strength

#### Outlook

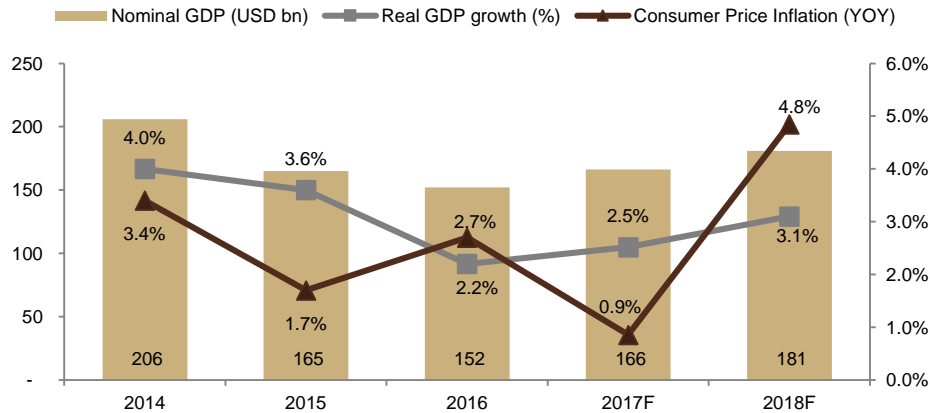
- Growth prospects supported by large-scale spending (c.USD 220bn over the next decade)
- Relatively limited debt levels (56.5% of GDP 2016) and sovereign assets (c. 320bn) accounting for 210% of GDP<sup>(3)</sup>

(1) Source: IGU LNG Report – 2017 Edition

(2) Source: BP Statistical Review of World Energy – June 2017

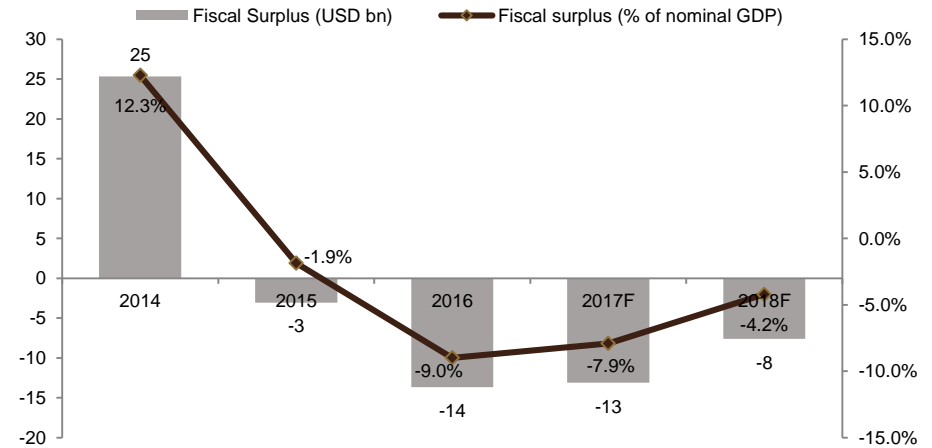
(3) Source: Sovereign Wealth Fund Institute (SWFI) June 2017

### Real GDP Growth and Inflation



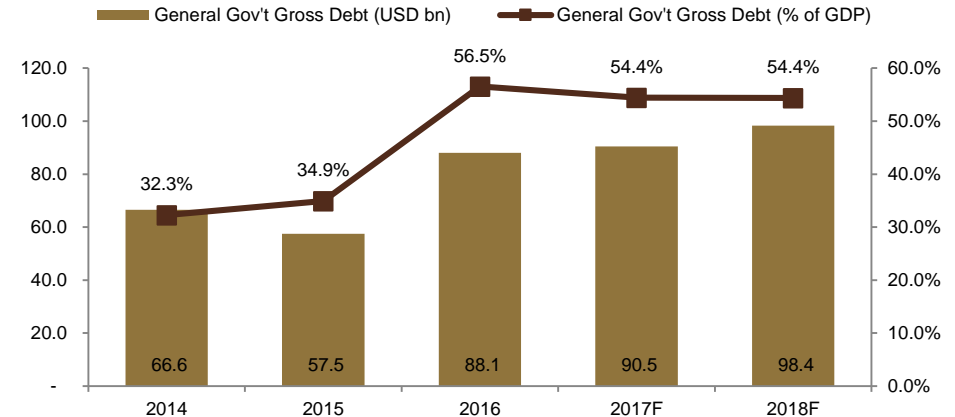
Source: Qatar Central Bank, MDPS, IMF WEO Oct 17, ARI Research

### Fiscal Balance



Source: MDPS, ARI Research

### Government Indebtedness



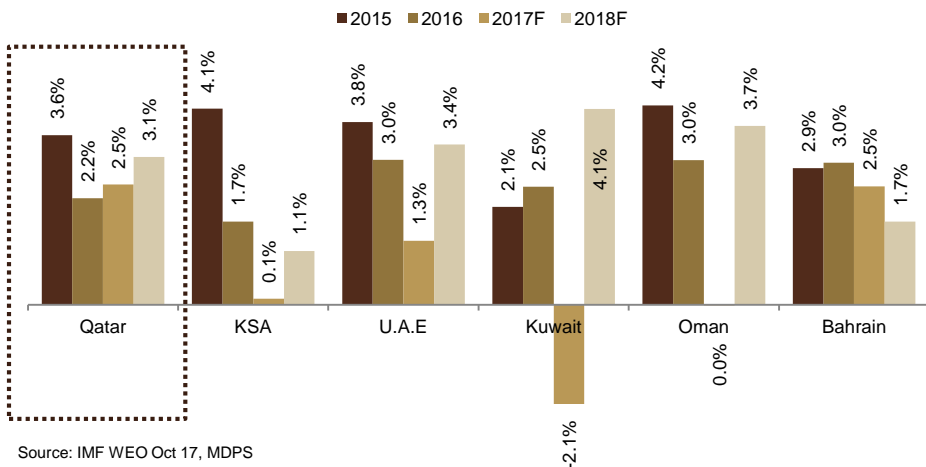
Source: IMF WEO Oct 17



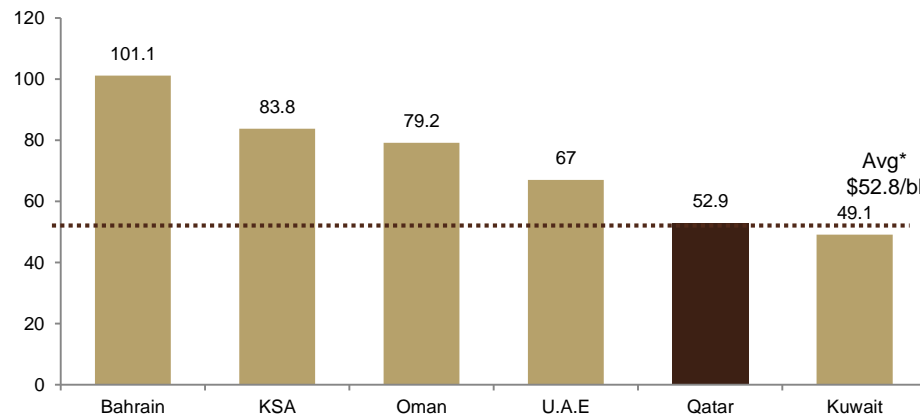
# 2. Operating Environment cont'd

## Qatar vs Other GCC Countries

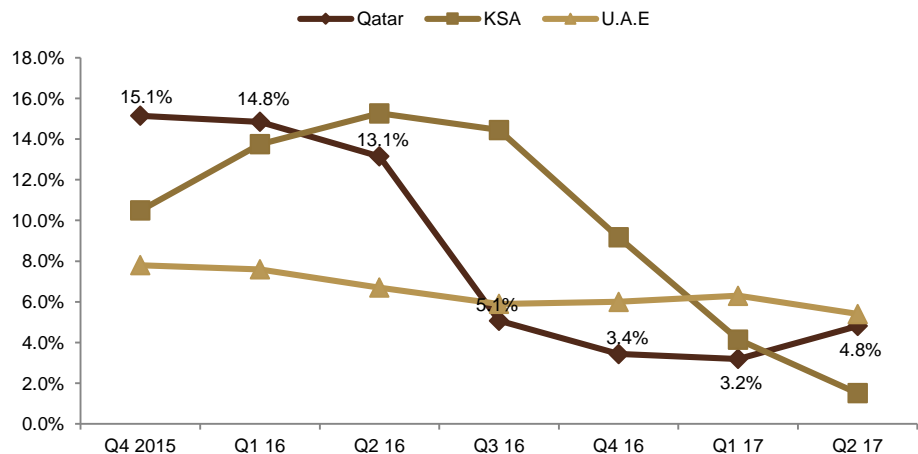
### Real Gross Domestic Product (GDP) Growth of GCC



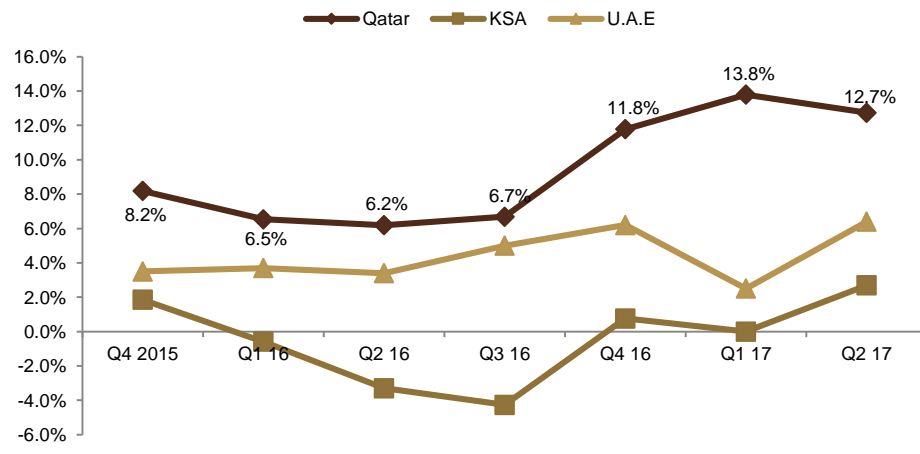
### Fiscal Breakeven Oil Price, FY17F (USD / barrel)



### Commercial Banks' Total Loans Growth (YOY)



### Commercial Banks' Deposit Growth (YOY)



# 2. Operating Environment cont'd

## Overview of the Qatari Banking Sector & Regulatory Support

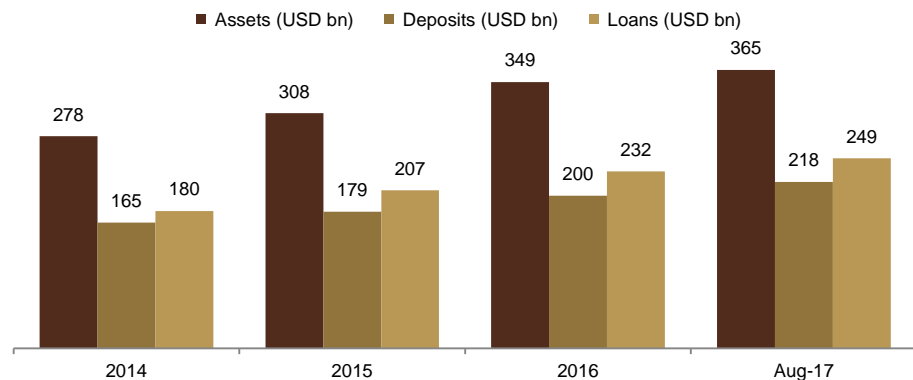
### Snapshot of the Qatari Banking Sector

- A total of 18 banks licensed by the Qatar Central Bank:

Banks	No.
Islamic banks	4
Conventional banks	6
State-owned bank	1
Foreign banks	7

- Total assets of USD 365 bn as at 31 August 2017
- Minimum capital adequacy ratio of 12.5% (including the Minimum Capital Conservation Buffer of 2.5%) as per Qatar Central Bank
- Maximum credit limit to single customer of 20% of a bank's capital and reserves
- Loan to deposit ratio of 100% (QCB has set December 2017 as the deadline for compliance in case of any breach)

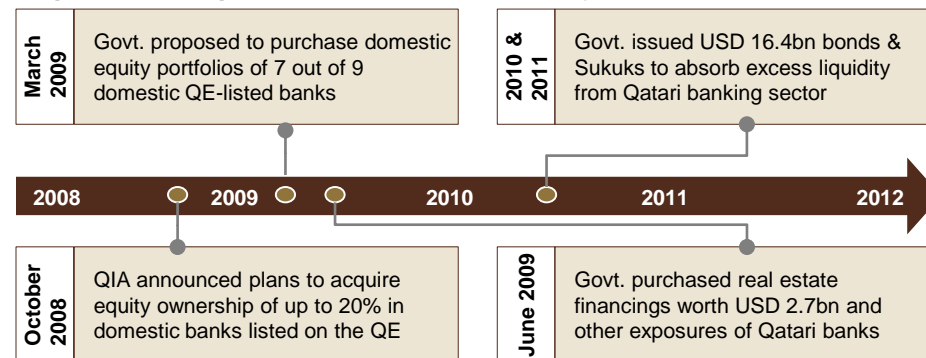
### Key Balance Sheet Indicators



Source: Qatar Central Bank

### State of Qatar's Track Record of Support

- Historically, the Government, through the QCB and QIA, has taken several steps to provide capital to support the domestic commercial banking sector
- That being said, MAR did not require any support during the financial crisis given its strong balance sheet and asset quality**



### Key Financial Indicators

	2014	2015	2016
Tier 1 Capital to RWA*	15.6%	14.7%	15.6%
Capital Adequacy Ratio*	16.0%	15.0%	15.8%
NPL Ratio	1.7%	1.6%	1.3%
NPL Coverage Ratio	78.5%	79.8%	79.9%
Liquid Assets/Total Assets	30.8%	28.5%	29.6%
Loans to Customer Deposits	108.2%	115.1%	115.5%

\* For national banks

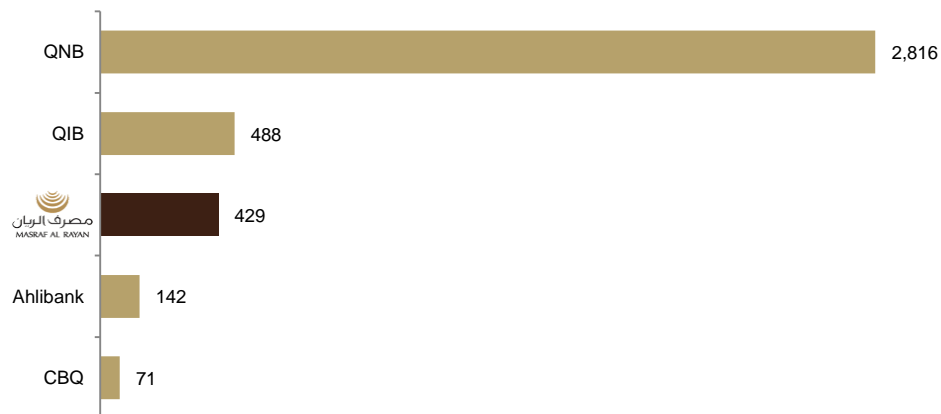
Source: Financial Stability Review - QCB

## 2. Operating Environment cont'd

### MAR's Positioning in the Qatari Banking Sector (1/2)

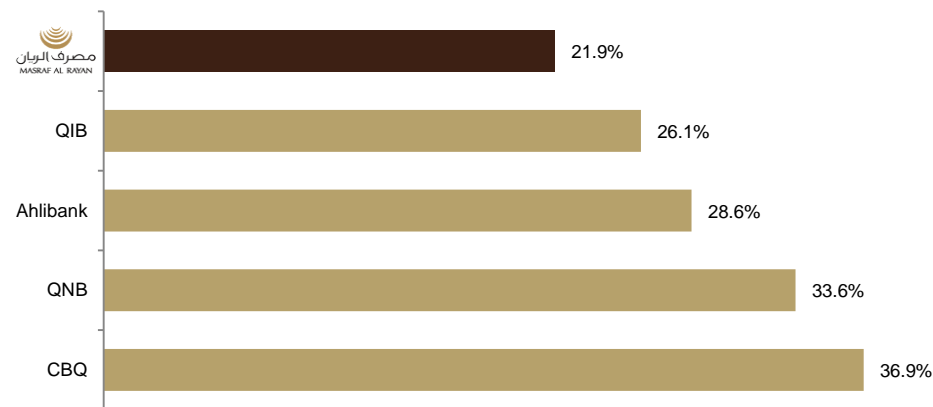
- ▶ MAR is well-positioned as a leading Qatari financial institution by consistently delivering robust returns and maintaining strong efficiency

Net Profit\* (USD mn) – 9M 17

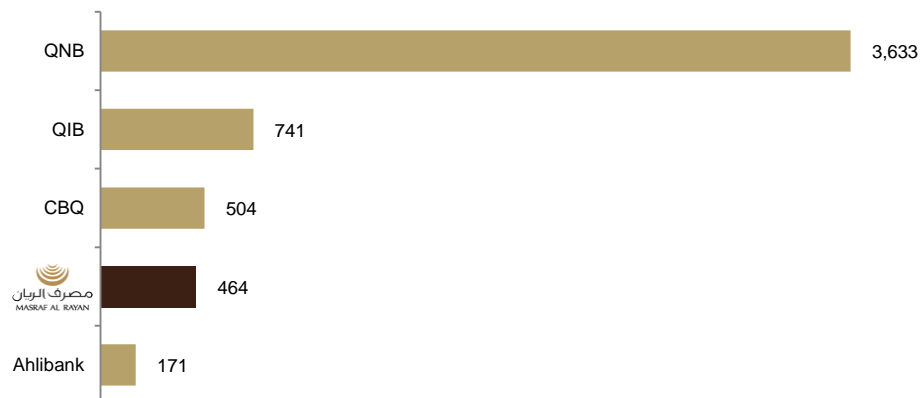


\*Attributable to equity holders

Operating Efficiency (Cost to Income) – 9M 17



Financing/Interest and Investing Income (USD mn) – 9M 17



Return on Average Assets\* – 9M 17



\*Annualised ratios

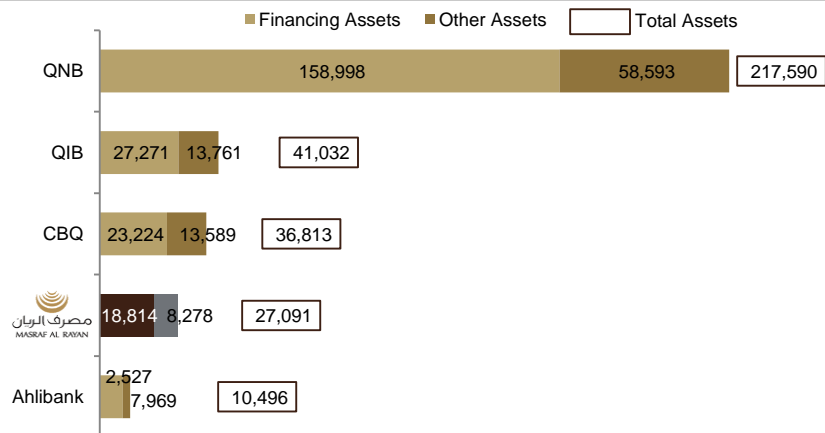
Note: Three other banks listed on the Qatar Exchange, QIIB, Doha Bank, and Al Khaliji, were excluded due to unavailability of 9M results as of 19 Oct 2017

# 2. Operating Environment cont'd

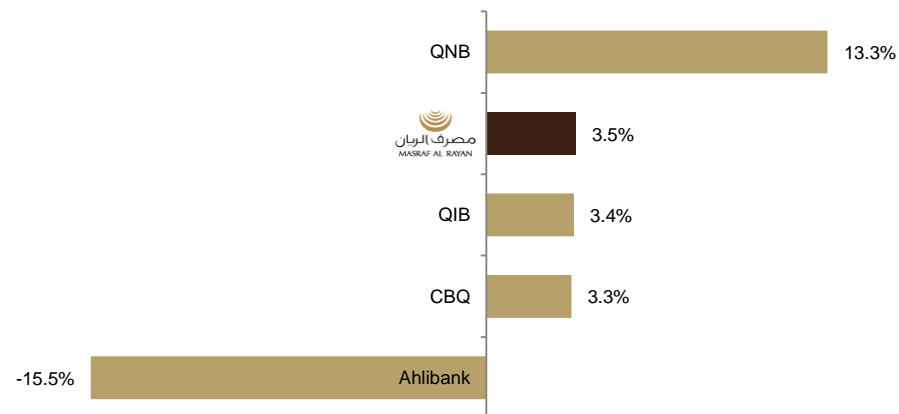
## MAR's Positioning in the Qatari Banking Sector (2/2)

► MAR has strong foothold in Qatari market in terms of assets and has the lowest non performing financing ratio

### Total Assets (USD mn) – 9M 17

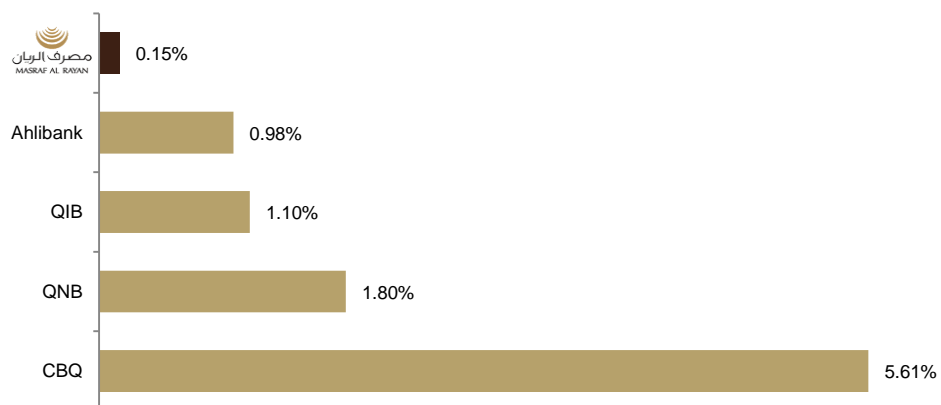


### Deposit Growth – 9M 17

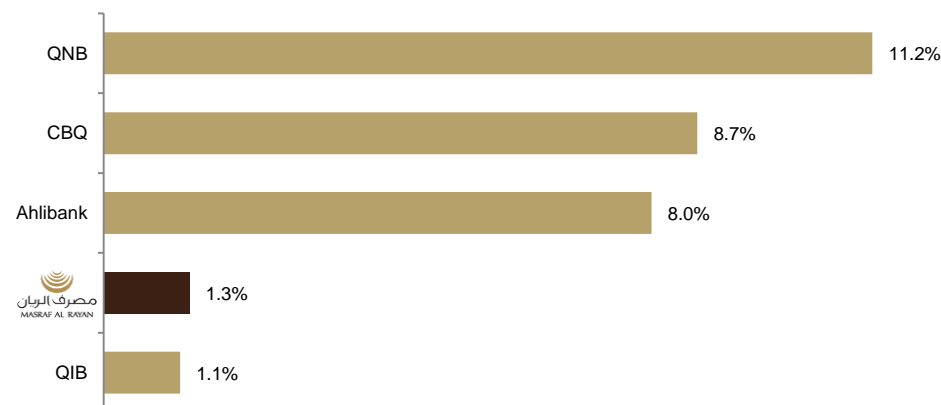


Note: Ahlibank and Al Khaliji include CDs

### Non-Performing Financing Ratio – 9M 17



### Loan Growth – 9M 17



Note: Three other banks listed on the Qatar Exchange, QIIB, Doha Bank, and Al Khaliji, were excluded due to unavailability of 9M results as of 19 Oct 2017

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# 3. Business Overview

## Strategy

- ▶ The Bank strives to become the leading Islamic bank within Qatar and one of the leading Islamic banks globally by offering a broad spectrum of Sharia-compliant products and services, delivered through an expanding network of branches and other alternative channels, to a broad range of markets and sectors

### Key Strategic Objectives

#### Strengthen the Bank's retail, private and corporate banking franchise

- Maintain a strong customer-centric approach;
- Strengthen existing relationships and continue to leverage strong Qatari gov. related franchise;
- Diversify and expand the Bank's client mix and target both Islamic and conventional customers;
- Capitalise on the growth potential in private banking, wealth management business and SMEs;
- Strengthen market positioning through product and service differentiation and focus on trade finance (LC/ LGs); and
- Expand and optimise branch network across strategic locations and further develop alternative distribution channels.

#### Seek growth opportunities & diversify income stream

- Identify and leverage growth opportunities in strategic markets outside Qatar with a focus on expanding commercial banking capabilities and leveraging opportunities linked to the Qatari Govt.'s overseas investments;
- Continue to grow the Bank's retail and private banking presence in the UK;
- Continue to grow and develop the asset management and advisory business through its subsidiary, Al Rayan Investments LLC; and
- Manage the Bank's strategic investments and investment securities portfolio to enhance returns.

#### Deliver sustainable and profitable growth with focus on asset quality and diversification of funding mix

- Balance business growth objectives to maintain strong asset quality and a strong capital base;
- Monitor performance of core and non-core business operations and take proactive action to sustain and grow the Bank's profitability;
- Seek stable and long-term funding sources to diversify funding sources and improve funding and liquidity; and
- Maximise shareholder value by enhancing key performance indicators.

#### Continue to develop risk control systems and ensure corporate governance

- Adopt a rigorous approach for monitoring, mitigating and managing the Bank's exposure to potential risks;
- Maintain and continue to enhance the governance, risk and compliance structure within the Bank as well as leverage advanced risk assessment systems;
- Adhere to regulatory requirements and demonstrate strong corporate governance culture; and
- Consistently enhance IT security framework to safeguard client information and enhance management information systems.

#### Develop human capital

- Focus on attracting and retaining talented employees and enhancing training initiatives to ensure professional growth and development; and
- Expand graduate development and leadership programme for Qatari employees including career development programme.

# 3. Business Overview cont'd

## Business Segments

- ▶ For the purpose of financial reporting, the Bank provides breakdown by four segments which offer different products and services, and are managed separately based on the Bank's management and internal reporting structure

### Corporate Banking

- ▶ Core driver of the Bank's business and includes treasury operations
- ▶ Diverse range of Shariah compliant financial products and services and cash management services
- ▶ Principal products include Murabaha, Ijarah, Ijarah Muntahia Bittamleek, Musharaka and Istisna'a.
- ▶ Client base include banks and FIs, govt. and GREs, large corporates and small and medium enterprises

9M 2017	USD mn	% of Total*
<b>Total Assets</b>	19,832	73.2%
<b>Total Revenue</b>	636	72.9%
<b>Profit Before Tax</b>	381	88.1%

### Retail Banking

- ▶ Diverse range of Shari'a compliant retail banking products and services
- ▶ Wide network of branches and ATMs, as well as alternative distribution channels (internet banking, mobile banking and telephone banking)
- ▶ Private Banking segment focuses on provide a high-quality service to high net worth individuals in Qatar and abroad

9M 2017	USD mn	% of Total*
<b>Total Assets</b>	4,437	16.4%
<b>Total Revenue</b>	171	19.6%
<b>Profit Before Tax</b>	125	28.9%

### Asset Management

- Represents contribution from the Bank's fully-owned investment banking arm (Al Rayan Investment LLC);
- ARI has three business segments: (i) Asset Management (ii) Financial Advisory and (iii) Strategic Investments
- ARI's strategy is to provide investment products and services to meet clients' needs

9M 2017	USD mn	% of Total*
<b>Total Assets</b>	135	0.5%
<b>Total Revenue</b>	8	1.0%
<b>Profit Before Tax</b>	4	0.9%

### International Operations

- ▶ Represents contribution from the Bank's international locations mainly the Bank's UK based subsidiary, Al Rayan Bank PLC
- ▶ Al Rayan Bank PLC is the first and only Islamic Retail Bank to gain regulatory approval in the UK
- ▶ Al Rayan Bank PLC services over 50,000 personal, business and premier customers and currently has six branches strategically located across UK

9M 2017	USD mn	% of Total*
<b>Total Assets</b>	2,377	8.8%%
<b>Total Revenue</b>	49	5.6%
<b>Profit Before Tax</b>	9	2.1%

\*Includes unallocated assets, liabilities and revenues related to some central functions and non-core business functions which accounted for 1.1% of total assets as at 30 Sep 2017  
Source: Bank's financial Statements

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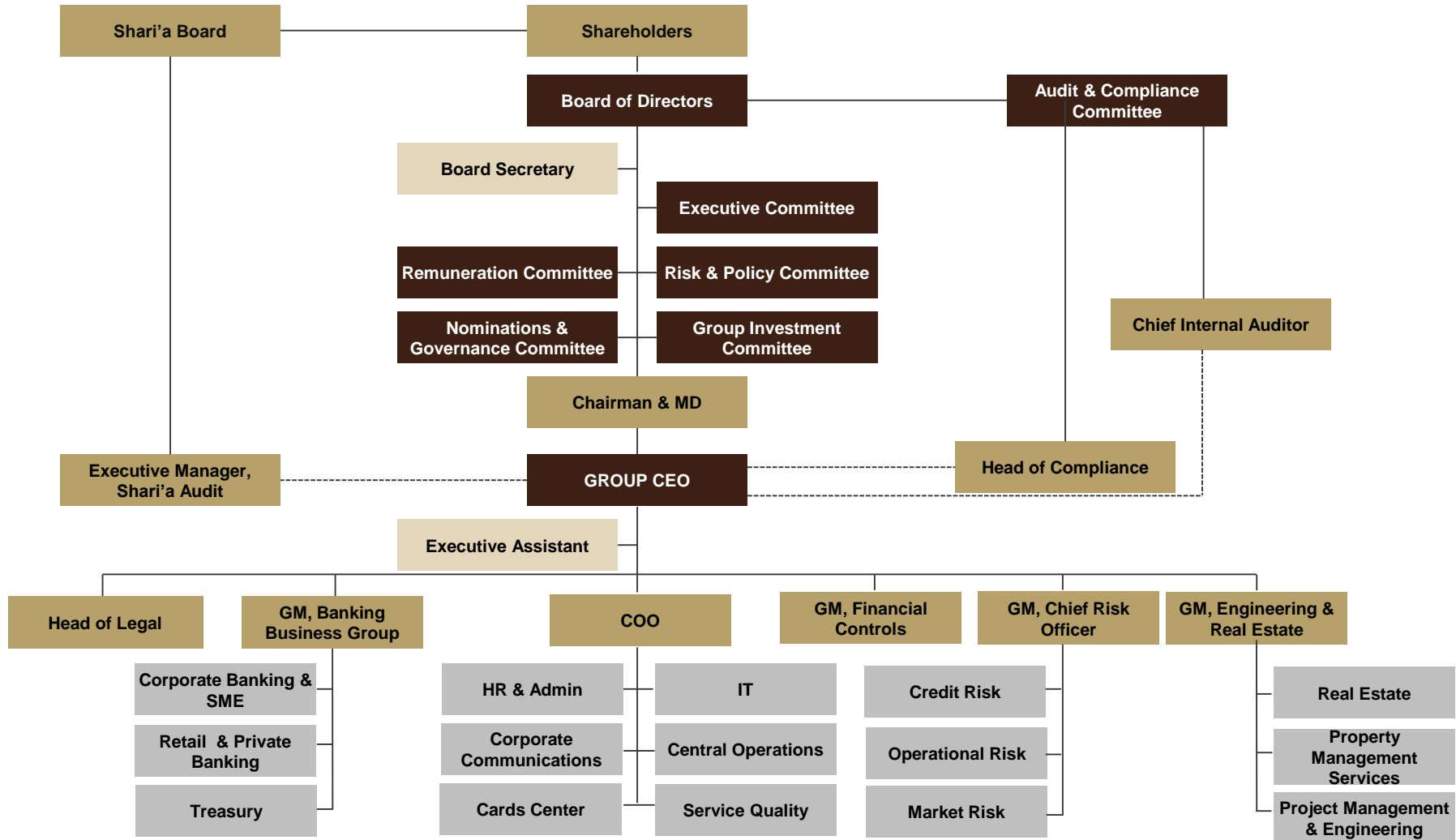
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# 4. Corporate Governance & Risk Management

## Organizational Structure



# 4. Corporate Governance & Risk Management cont'd

## Board Composition

- ▶ The principal role of the Board is to oversee the implementation of the Bank's strategic initiatives and its functions within the agreed framework in accordance with relevant statutory and regulatory structures

### Chairman & Managing Director



**Dr. Hussain Ali Al Abdulla**

*Other positions:*

- Minister of State & Board Member - QIA
- Board Member - Qatar Supreme Council for Economic Affairs and Investment
- Chairman - Kirnaf Investment and Installment Company
- Board Member - Gulf Investment Corporation (Kuwait)
- Board Member - Volkswagen (Germany)

### Group CEO



**Mr. Adel Mustafawi**

*Other positions:*

- Vice Chairman - Qatar Sports Investment
- Vice Chairman - Paris Saint Germain F.C
- Board Member - Kirnaf Investment & Installment Company
- Board Member - Al Rayan Bank PLC
- Board Member - Malomatia

### Board Members

**Mr. Turki Mohammed Al Khater**

*Vice Chairman*

- *Select other roles:* Chairman - United Development Company, Board Member - Ooredoo (Qatar), President - General Retirement and Social Insurance Authority

**Mr. Nasser Jaralla S. Jaralla Al Marri**

*Board Member*

- *Select other roles:* Acting Chairman of Financial Affairs Authority - Qatar Armed Forces, Board Member - United Development Company

**Dr. Menahi Khalid M. A. Al Hajri**

*Board Member*

- *Select other roles:* Director of Preventive Security Directorate - Ministry of Interior of the State of Qatar

**H. E. Sheikh Faisal Bin Saud Al-Thani**

*Board Member*

- *Select other roles:* Acting Director of Industrial Portfolio - Qatar Investment Authority, Chairman - Sadeem Technology Company

**Sheikh Nasser Bin Hamad Bin Nasser Al Thani**

*Board Member*

- *Select other roles:* Board Member - Starlink, Board Member - Ooredoo (Algeria and Kuwait), Chief New Business Officer - Ooredoo (Qatar)

**Mr. Abdulla Ahmed Al Maleki Al Jahni**

*Board Member*

- *Select other roles:* Vice Chairman of Insurance Committee - Qatar Chamber, Board Member - Qatar Business Council

**Mr. Sheikh Ali Bin Jassim M. J. Al-Thani**

*Board Member*

- *Select other roles:* Chairman - Qatar Navigation, Board Member - Nakilat

**Mr. Ali Mohammed A S Alobaidli**

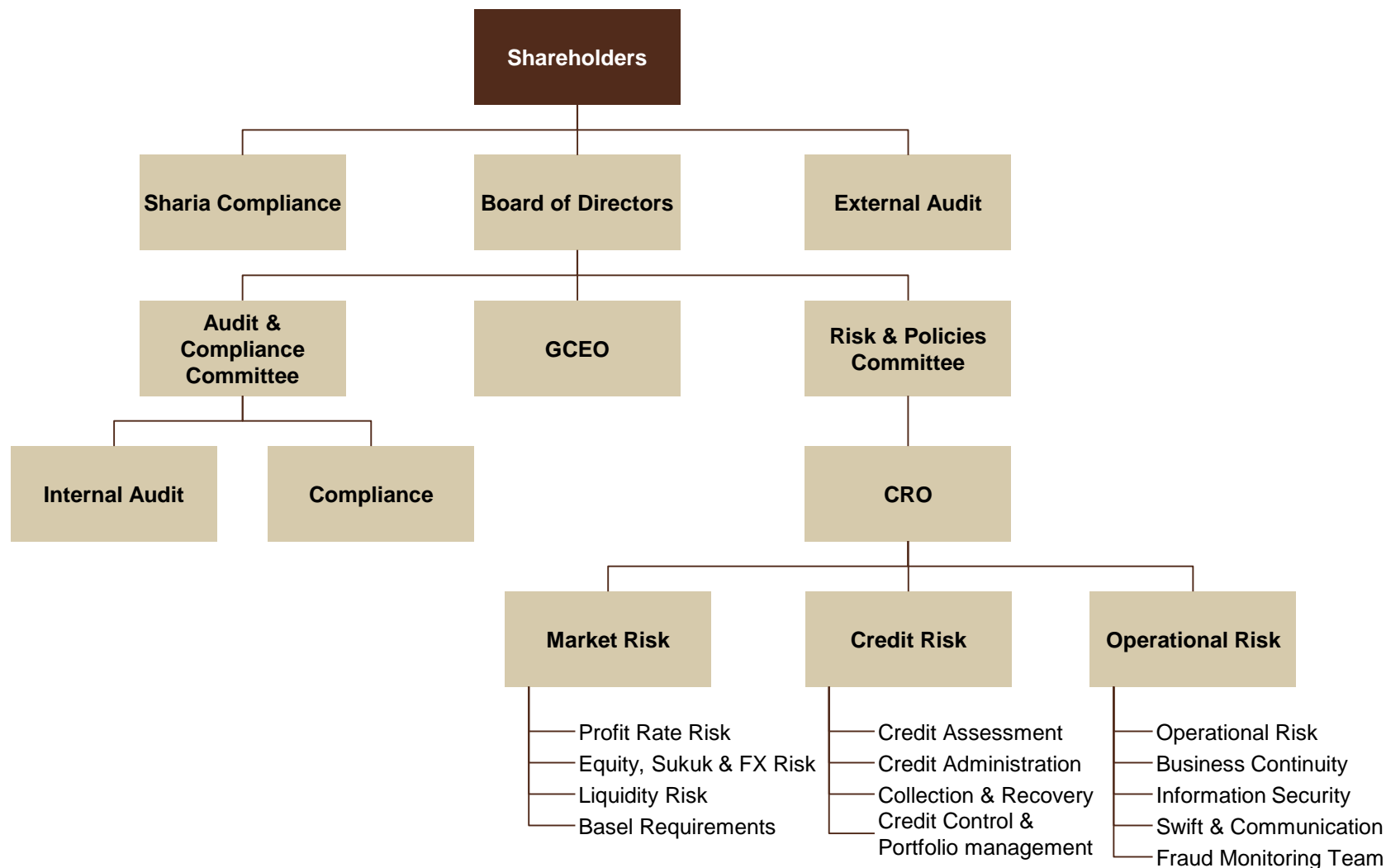
*Board Member*

- *Select other roles:* CEO - Ezdan Holding

# 4. Corporate Governance & Risk Management cont'd

## Risk Management Structure

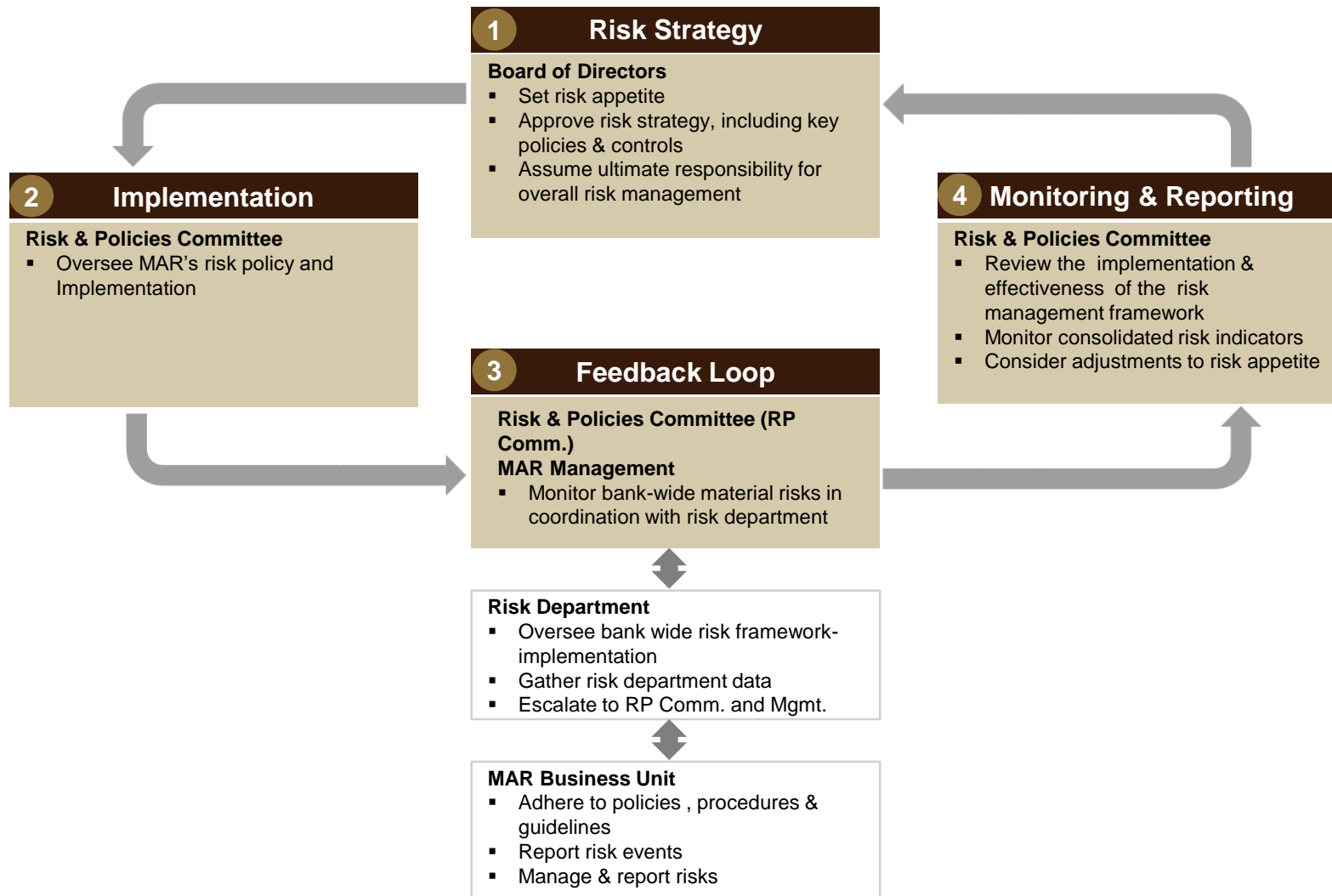
- While the Board is ultimately responsible for the risk management framework, everyone in the Bank is responsible for risk management and there are 3 lines of defense; 1) Line Management, 2) Risk & Compliance 3) Internal Audit.



# 4. Corporate Governance & Risk Management cont'd

## Risk Management Cycle

- The Bank maintains a rigorous and robust approach for monitoring, mitigating and managing its exposure to potential risks including financial risk, credit risk, market risk, strategy risk, operational risk and Sharia risk



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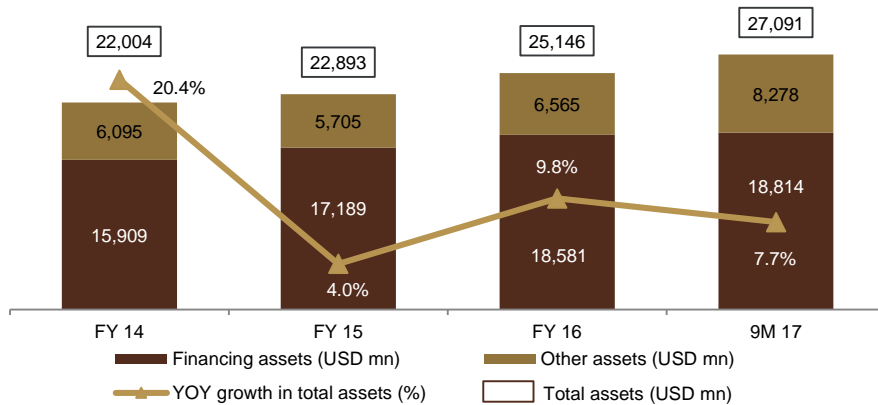
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# 5. Financial Highlights & Performance

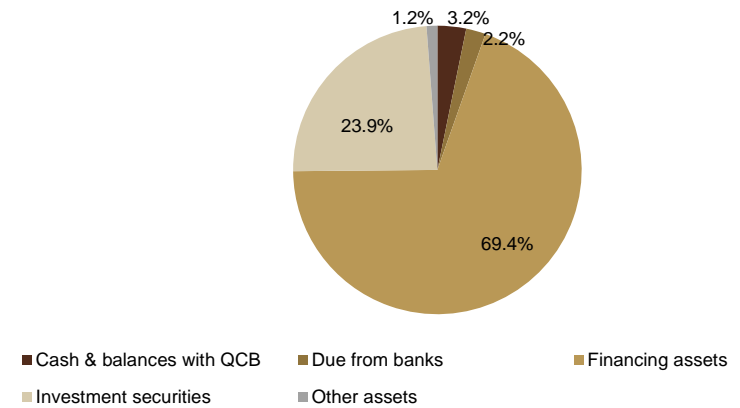
## Balance Sheet

► Continued asset growth in 9M 17. Financing assets, mainly in the public sector are the predominant contributor. Investment securities continue to have high tilt towards high quality Government debt.

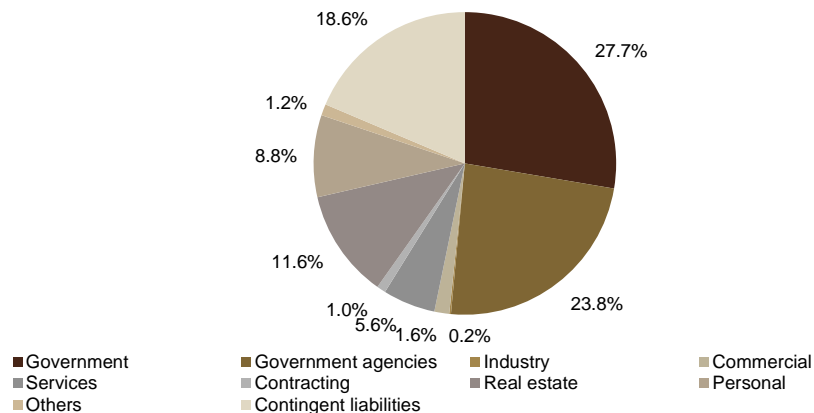
### Asset Growth – 9M 17



### Asset Mix – 9M 17

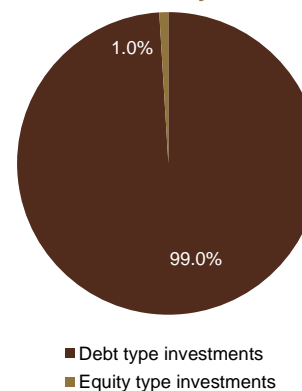


### Gross Exposure-Funded & Unfunded – 9M 17

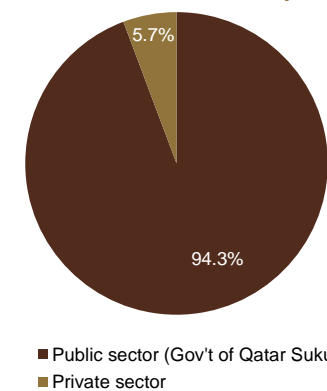


### Breakdown of Investment Securities – 9M 17

#### Investments by Asset Class



#### Public vs. Private Debt Exposure\*



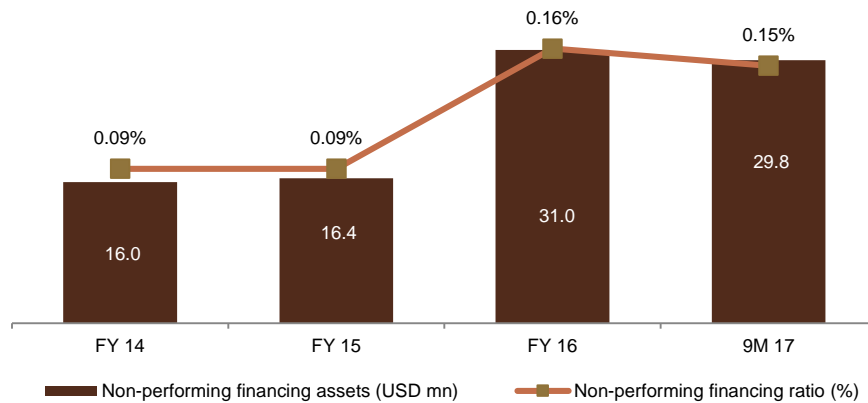
\*% of total debt investments including impairments

# 5. Financial Highlights & Performance cont'd

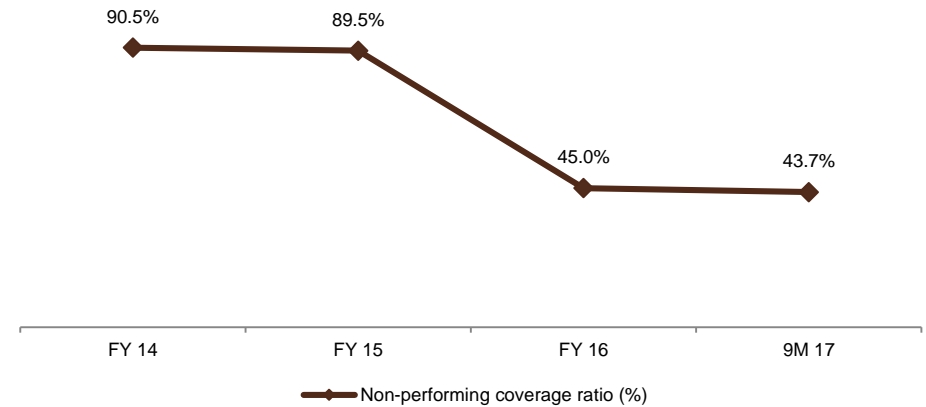
## Asset Quality

► Masraf Al Rayan's non-performing financing ratio remains below 1% (one of the lowest globally) reflecting robust asset quality, the Bank's prudent risk management policies and a conservative lending strategy

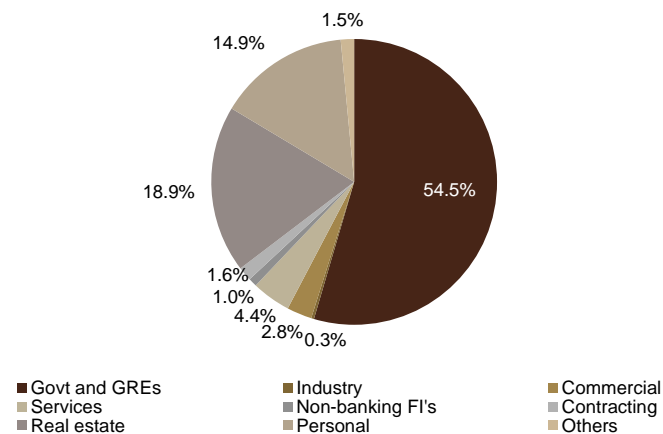
Non-Performing Financing Assets – 9M 17



Non-Performing Financing Coverage Ratio – 9M 17



Financing Assets Breakdown by Industry – 9M 17



Key Highlights

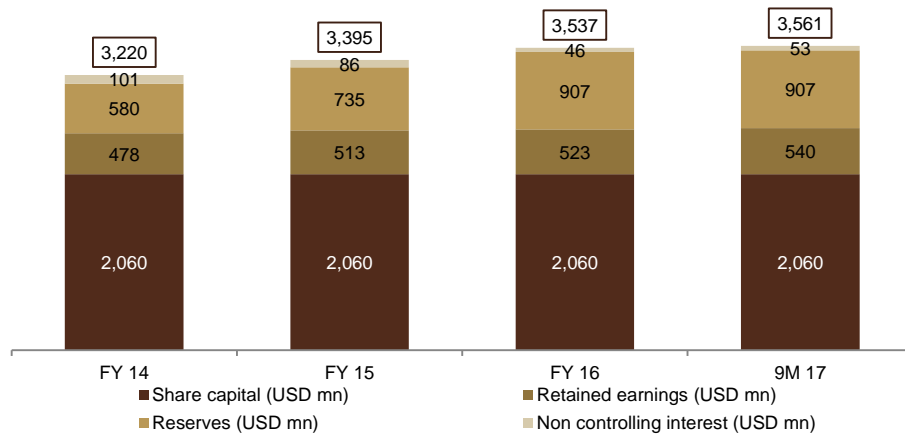
- The Bank's asset quality remains robust as indicated by a NPF ratio of 0.15% as of 9M 17
- Consistently strong asset quality is driven by selective acquisition of customer base, critical credit risk evaluation and management
- High exposure to government sector (54.5% as at 9M 17) is another contributor to maintaining good asset quality

# 5. Financial Highlights & Performance cont'd

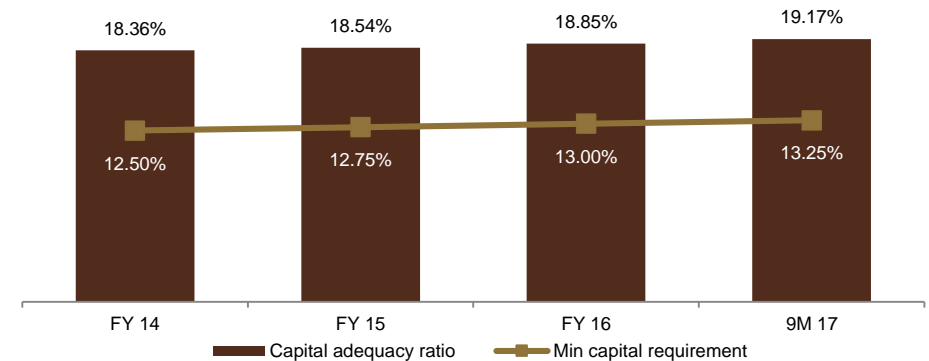
## Capitalization

► Masraf Al Rayan is well capitalized with CAR exceeding the regulatory threshold indicating ample room for growth

### Total Equity Breakdown – 9M 17

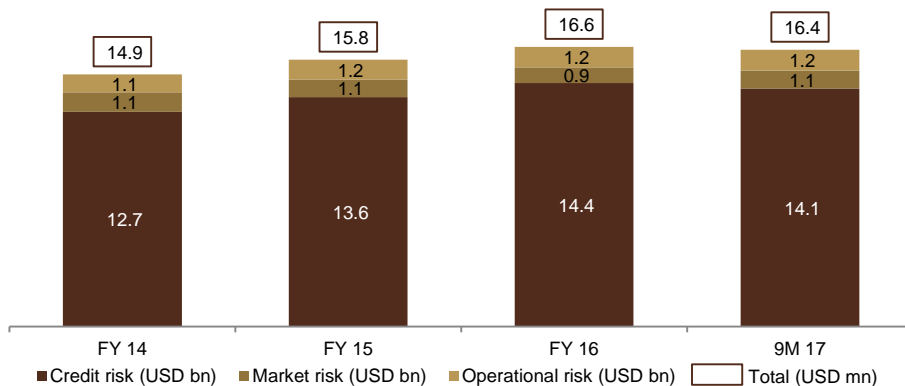


### Overview of the Bank's Capitalisation Levels – 9M 17



\*In March 2015, the Bank was classified as a DSIB by the QCB. As such, the Bank's minimum capital requirement is increased by 0.25% each year until it reaches 13.5% by the end of 2018

### Risk Weighted Assets – 9M 17



### Key Highlights

- MAR maintained a healthy capitalization level with CAR (inclusive of CET1 capital) of 19.17% as at 30 September 2017, well above the minimum regulatory requirements of 12.5%.
- As a domestic systemically important bank (DSIB), the Bank is required to maintain an additional buffer of 0.75% as of 9M 17.
- Strong growth in its risk weighted assets (18.0% CAGR for the period 2013 – 2016) reaching USD 16.4 bn as of 9M 17.

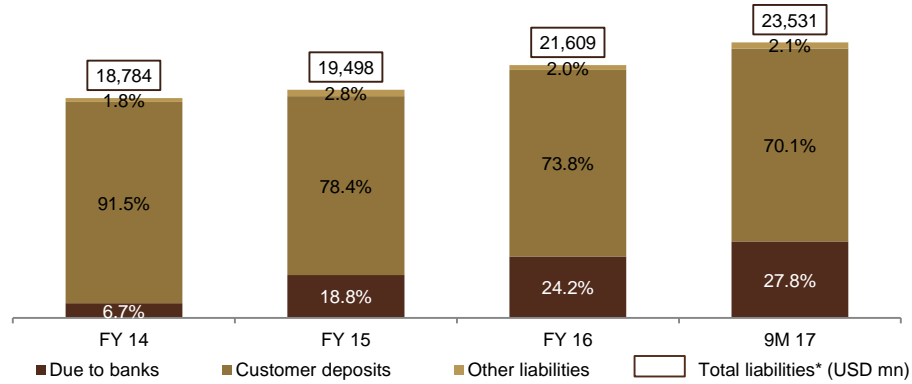


# 5. Financial Highlights & Performance cont'd

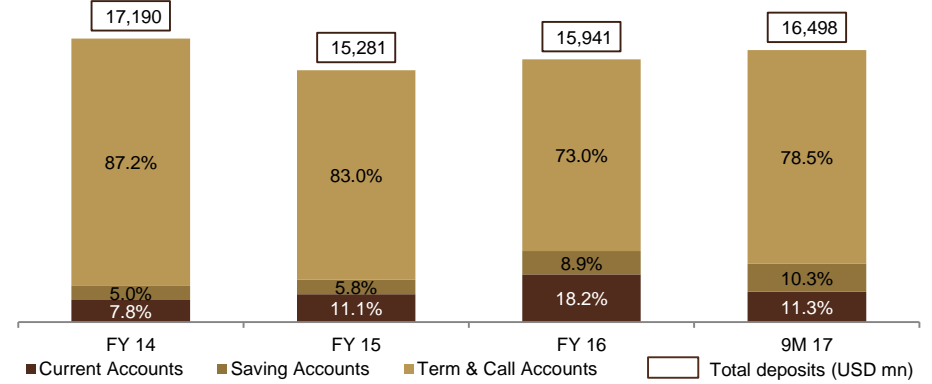
## Funding & Liquidity

► Masraf Al Rayan primarily relies on customer deposits and is seeking to diversify its funding mix as part of its strategic objective

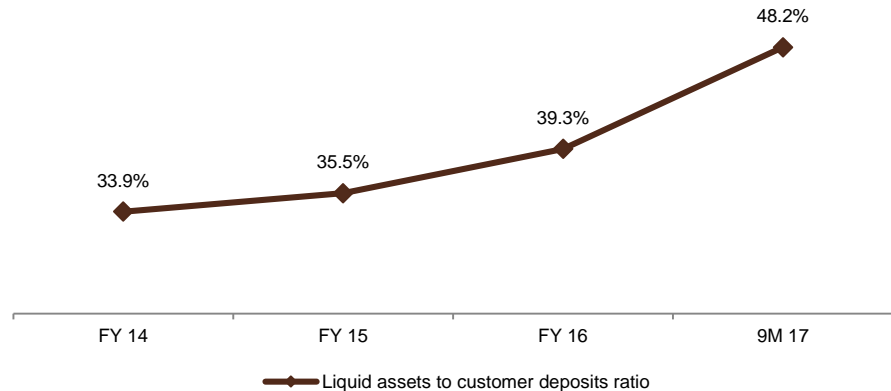
### Funding Mix – 9M 17



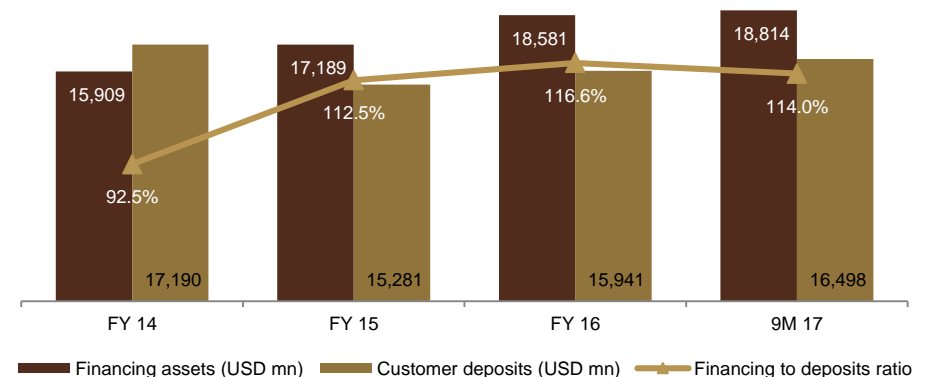
### Deposit Mix – 9M 17



### Liquid Assets to Customer Deposits Ratio – 9M 17



### Financing Assets and Customer Deposits – 9M 17

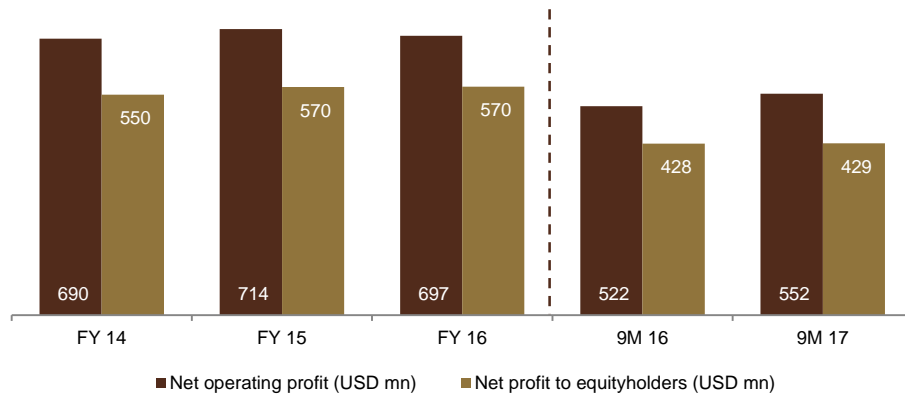


# 5. Financial Highlights & Performance cont'd

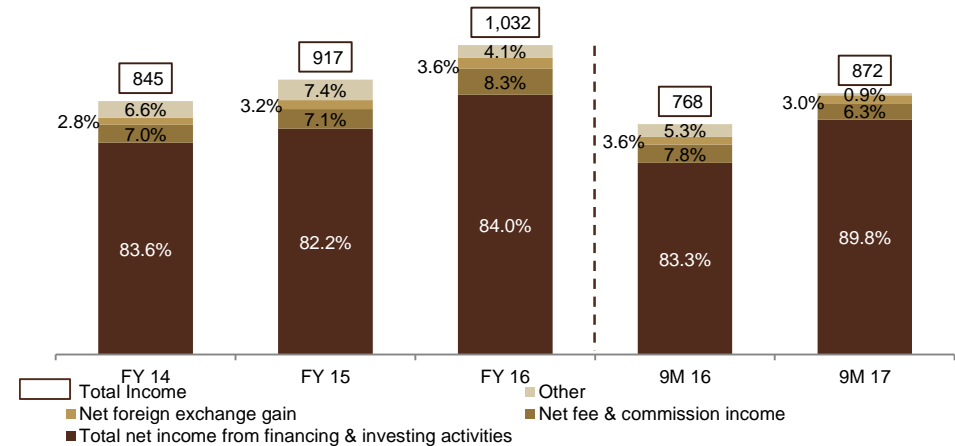
## Profitability

► Stable profitability with consistently strong efficiency and high return on assets and shareholders' equity

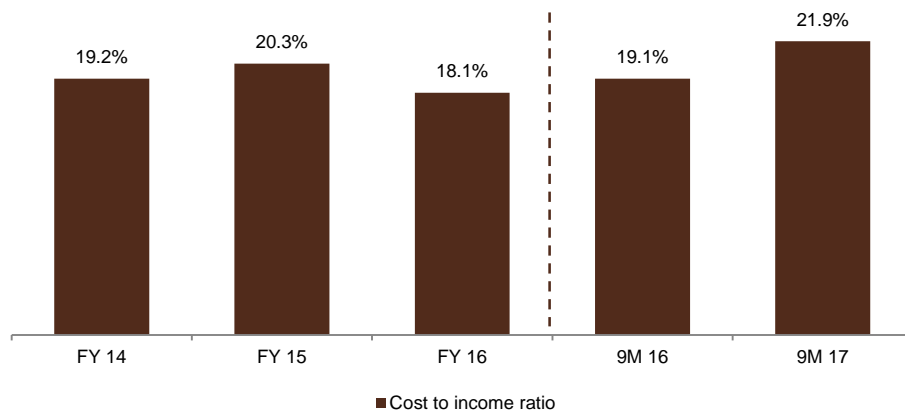
Profitability – 9M 17



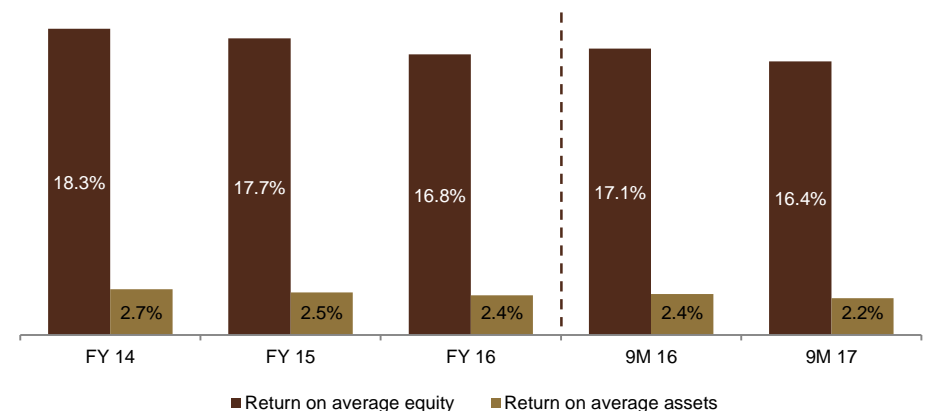
Income Composition – 9M 17



Operating Efficiency – 9M 17



Return on Assets & Shareholder's Equity\* – 9M 17



\*Attributable to equity holders. 9M ratios annualised

1. Introduction to Masraf Al Rayan
2. Operating Environment
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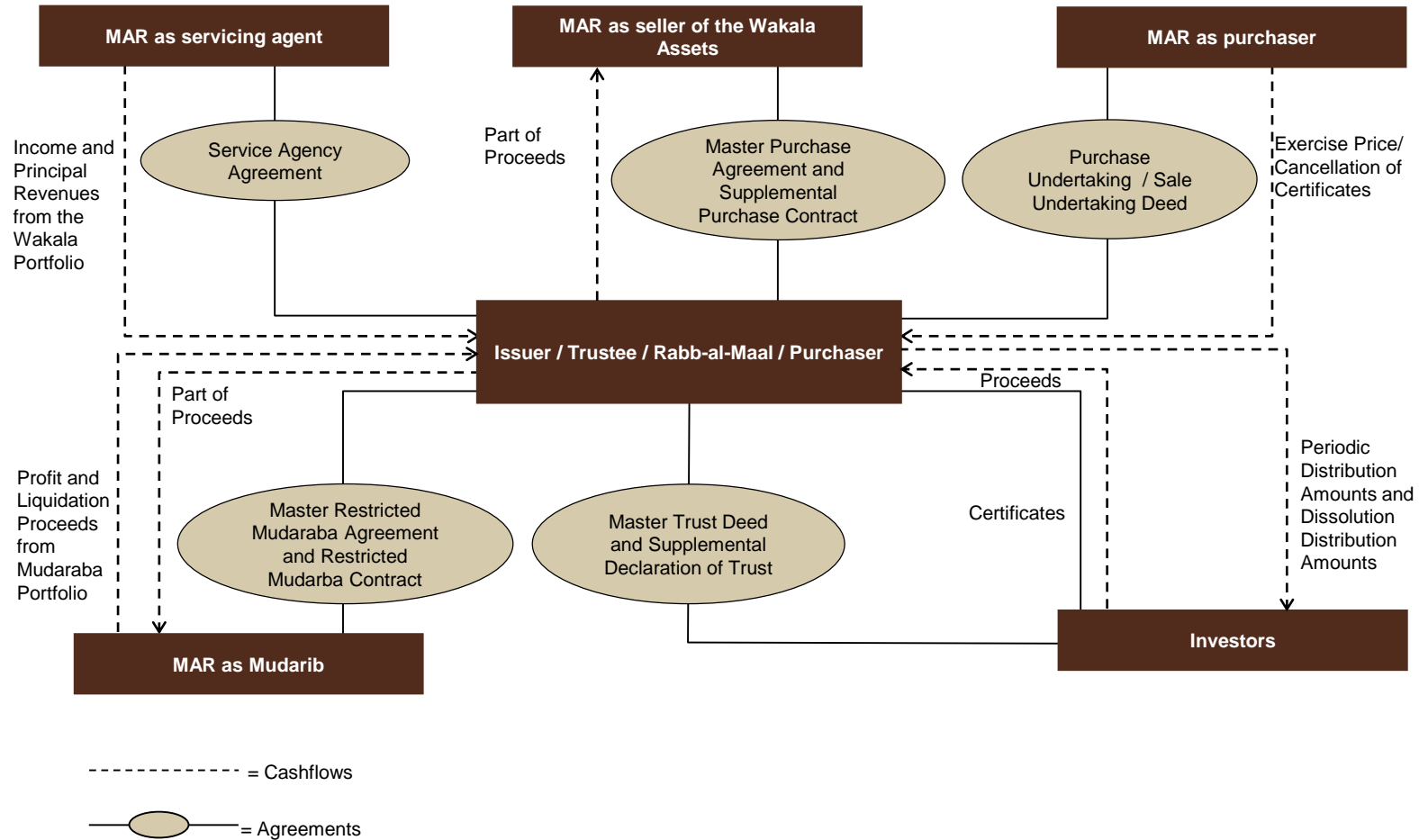
# 6. Transaction Term Sheet

## Transaction Term Sheet

<b>Issuer</b>	<ul style="list-style-type: none"> <li>MAR Sukuk Limited</li> </ul>
<b>Obligor</b>	<ul style="list-style-type: none"> <li>Masraf Al Rayan (Q.S.C.)</li> </ul>
<b>Obligor's Rating</b>	<ul style="list-style-type: none"> <li>A1 by Moody's</li> </ul>
<b>Programme Size</b>	<ul style="list-style-type: none"> <li>USD 1,000mn Trust Certificate Issuance Programme</li> </ul>
<b>Status</b>	<ul style="list-style-type: none"> <li>Unsubordinated unsecured obligations of Obligor</li> </ul>
<b>Expected Issue Rating</b>	<ul style="list-style-type: none"> <li>A1 by Moody's</li> </ul>
<b>Issue Format</b>	<ul style="list-style-type: none"> <li>Regulation S only</li> </ul>
<b>Selected Key Terms</b>	<ul style="list-style-type: none"> <li>Customary Events of Default</li> <li>Cross Default</li> <li>Capital Markets Negative Pledge</li> </ul>
<b>Governing Law</b>	<ul style="list-style-type: none"> <li>English and Qatari law</li> </ul>
<b>Listing</b>	<ul style="list-style-type: none"> <li>Irish Stock Exchange</li> </ul>
<b>Joint Lead Managers</b>	<ul style="list-style-type: none"> <li>HSBC, Standard Chartered Bank, Al Rayan Investment, Dubai Islamic Bank, Maybank, Nour Bank</li> </ul>

# 6. Transaction Term Sheet cont'd

## Sukuk Structure



1. Introduction to Masraf Al Rayan
2. Operating Environment
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- 7. Appendix**



# 7. Appendix

## Consolidated Statement of Financial Position

<i>USD mn</i>	<b>FY 14</b>	<b>FY 15</b>	<b>FY 16</b>	<b>9M 17</b>
Cash and Balances with Qatar Central Bank	910	752	859	871
Due from Banks	990	653	1,564	595
Financing Assets	15,909	17,189	18,581	18,814
Investment Securities	3,925	4,018	3,849	6,485
Investment in Associates	116	129	140	141
Investment Property	25	0	0	0
Fixed assets	33	41	41	43
Other assets	96	113	112	143
<b>Total Assets</b>	<b>22,004</b>	<b>22,893</b>	<b>25,146</b>	<b>27,091</b>
Due to banks	1,253	3,666	5,236	6,534
Customer current accounts	1,340	1,699	2,894	1,857
Other liabilities	341	551	432	499
<b>Total Liabilities</b>	<b>2,934</b>	<b>5,916</b>	<b>8,562</b>	<b>8,890</b>
<b>Equity of Investment Account holders</b>	<b>15,850</b>	<b>13,582</b>	<b>13,047</b>	<b>14,641</b>
Share Capital	2,060	2,060	2,060	2,060
Legal Reserve	284	398	512	512
Risk Reserve	277	312	370	370
Fair value reserve	8	3	1	(1)
Foreign currency translation reserve	0	0	(4)	(2)
Other reserves	11	22	29	29
Retained earnings	478	513	523	540
<b>Total Equity Attributable to Equity Holders of the Bank</b>	<b>3,119</b>	<b>3,309</b>	<b>3,490</b>	<b>3,507</b>
Non-Controlling interest	101	86	46	53
<b>Total Owners' Equity</b>	<b>3,220</b>	<b>3,395</b>	<b>3,537</b>	<b>3,561</b>
<b>Total Liabilities, Equity of Investment Account Holders and Owners' Equity</b>	<b>22,004</b>	<b>22,893</b>	<b>25,146</b>	<b>27,091</b>

# 7. Appendix cont'd

## Consolidated Income Statement

<i>USD mn</i>	<b>FY 14</b>	<b>FY 15</b>	<b>FY 16</b>	<b>9M 16</b>	<b>9M 17</b>
Net income from financing activities	577.2	641.1	720.0	530.3	629.7
Net income from investing activities	129.4	112.3	146.7	109.2	153.5
<b>Total Net Income from Financing and Investing Activities</b>	<b>706.6</b>	<b>753.3</b>	<b>866.6</b>	<b>639.5</b>	<b>783.1</b>
Fee and commission income	59.6	65.8	86.3	60.5	55.5
Fee and commission expense	(0.4)	(0.4)	(0.5)	(0.4)	(0.6)
<b>Net Fee and Commission Income</b>	<b>59.2</b>	<b>65.5</b>	<b>85.9</b>	<b>60.1</b>	<b>54.9</b>
Net foreign exchange gain	23.8	29.6	36.8	27.4	26.2
Share of results of associates	2.6	15.3	14.4	13.7	5.9
Gain on sale of investment in an associate	51.1	51.1	25.6	25.6	0.0
Other income	2.0	1.9	2.4	1.8	1.9
<b>Total Income</b>	<b>845.5</b>	<b>916.7</b>	<b>1,031.6</b>	<b>768.0</b>	<b>872.1</b>
Staff costs	(72.2)	(80.2)	(78.3)	(58.6)	(68.7)
Depreciation	(4.4)	(4.3)	(4.5)	(3.3)	(3.6)
Other expenses	(54.9)	(67.3)	(44.4)	(37.5)	(48.7)
Finance expense	(15.1)	(32.5)	(97.9)	(73.3)	(88.4)
<b>Total Expenses</b>	<b>(146.7)</b>	<b>(184.2)</b>	<b>(225.0)</b>	<b>(172.6)</b>	<b>(209.5)</b>
Net recoveries/(impairment losses) on financing assets	(3.4)	0.2	(0.4)	7.0	0.6
Net impairment losses on investment securities	(0.1)	(13.0)	(0.3)	(0.3)	0.0
<b>Profit for the Period before Return to Investment Account Holders</b>	<b>695.3</b>	<b>719.7</b>	<b>805.8</b>	<b>602.1</b>	<b>663.3</b>
Less: Return to investment account holders	(140.5)	(170.0)	(236.5)	(173.1)	(231.2)
<b>Profit for the Period before Tax</b>	<b>554.8</b>	<b>549.7</b>	<b>569.3</b>	<b>429.1</b>	<b>432.0</b>
Tax (expense) credit	(0.6)	6.9	1.0	(0.5)	(0.2)
<b>Net Profit for the Period</b>	<b>554.2</b>	<b>556.6</b>	<b>570.3</b>	<b>428.6</b>	<b>431.9</b>