

Report of the Board of Directors

Dear Shareholders,

I am pleased to present our 10th Annual Report for Doha Insurance Company as well as the financial statements for the year ended 31st December 2010.

At the outset, I would like to express our satisfaction on the good results of your Company. It has succeeded, for the 10th consecutive year, to improve its competitive position and maintain an excellent pattern of growth. The Company has achieved an increase in the Gross Premium of 17% to reach QR 370 million in 2010 compared to QR 317 million in 2009 despite the soft market cycle which continued from 2009 and has initiated a drop in prices by more than 30%.

Furthermore, the Net Profit of the Company for 2010 has increased by 15% compared to 2009.

The Yemeni Qatari Insurance Company (**YQI**) has started actual operations early 2010. The return on Equity is 11% which is encouraging being the first year of operations. We intend to continue our full support to this joint venture to achieve its rightful share in the Yemeni market.

We are also pleased to note that our interactive **S&P** rating has been confirmed as BBB+ on strong capitalization and improved competitive position. The outlook remains Stable.

Now, I would like to summarize the key financial results achieved by Doha Insurance Company during 2010.

- The Net Underwriting Results of the Company have increased by 11% and amounted to QR 69 million in 2010 compared to QR 62 million in 2009.
- The Investment and Other Income amounted to QR 31 million in 2010 compared to QR 33 million in 2009.
- The Company achieved a Net Profit of QR 61 million in 2010 compared to QR 53 million in 2009.
- The Shareholder's Equity amounted to QR 429 million at the end of 2010 compared to QR 371 million at the end of 2009.

In view of these results, the Board of Directors has recommended the distribution of a 25% cash dividend to its shareholders i.e. QR 2.50 per share.

Future Plan

We are excited and pleased that Qatar has been confirmed host nation for the FIFA World Cup 2022. Such honour presents a challenge for your Company to get a sizable share of the insurances of the related mega projects amidst growing competition from local and foreign players.

We are planning to initiate feasibility studies for possible expansion by opening new branches outside Qatar or entering into strategic partnerships. These initiatives will need further study and refinement and subject to prevailing market condition and board approval.

We are in the process of engaging A.M. Best to review and provide rating services for our Company in addition to the current rating from STANDARD & POOR'S. This will allow us to be rated by the top two rating agencies in the world.

Dear Shareholders,

At the end, we would like to express our sincere gratitude to our valued shareholders and all of our clients for the trust and confidence they have bestowed upon us and we assure them of our total commitments to best serve their interests. We also extend our appreciation to the management and staff for their relentless effort and unwavering commitment.

Nawaf Nasser Bin Khaled Al-Thani
Chairman