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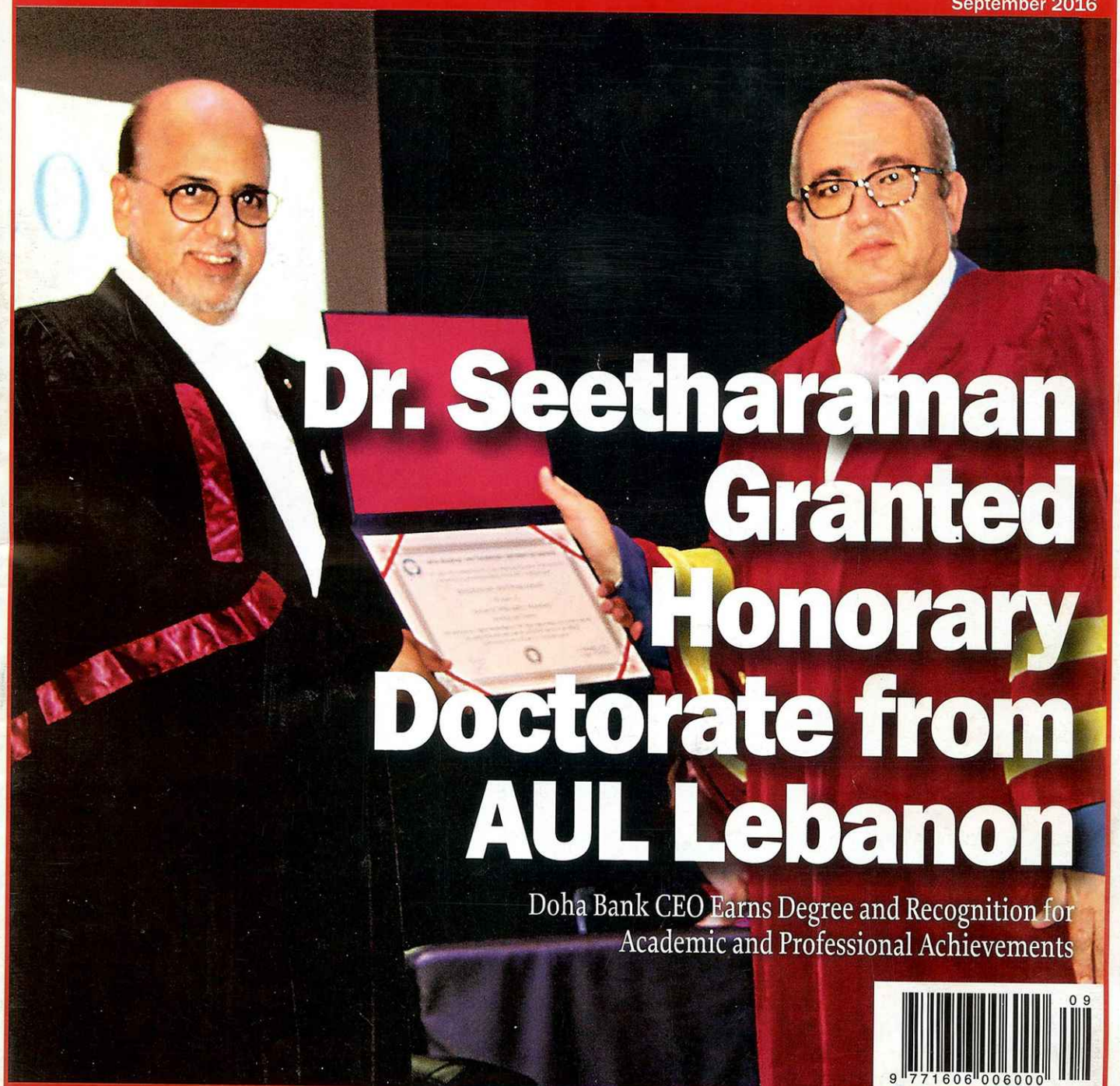
ABG Operating Income Increases 7% to US$ 538 million

Doha Bank Kochi–Kerala Branch inauguration

BKIC net profit grows by 31%, BD2.3 million H1

BUSINESS LIFE

September 2016



Dr. Seetharaman Granted Honorary Doctorate from AUL Lebanon

Doha Bank CEO Earns Degree and Recognition for Academic and Professional Achievements

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Lebanon	LBP5,000	U.A.E.	Drhm12	Jordan	JD2	Egypt	EP5	Algeria	DZD200	Tunisia	TND4
Saudi Arabia	SR12	Bahrain	BD1	Oman	OR1	Europe	Euro4	Libya	L.D4	Yemen	YR10
Kuwait	KD1	Qatar	QR12	Cyprus	C£1	U.S. & Canada	$4	Morocco	MAD33	Syria	SYP150

Dr. Seetharaman Ganted Honorary Doctorate from AUL Lebanon

Doha Bank CEO Earns Recognition for Academic and Professional Achievements

Knowledge furthers universal enlightenment. With hard work, Dr. R. Seetharaman, Chief Executive Officer of Doha Bank made his way through the crowd, mounted his horse, and headed for excelling in his banking and social careerslocally and internationally. Despite all challenges, he turned Doha Bank into a globally recognized conglomerate with branches nearly all over the world. The eager, hardworking, and talented banker soon received various awards for Doha Bank and for his success.

Dr. R. Seetharaman, is a prominent personality in the banking industry throughout the Middle East, an economic expert who has achieved remarkable success for his contributions to Banking, Trade, Investment, Economics, Environment, Social responsibility, Philanthropy and Charity.

Dr. R. Seetharaman brings a wealth of knowledge, experience, and integrity to his valuable achievements.

He is a Chartered Accountant and holds certificate in IT systems and Corporate Management, whilst being a Gold medallist in his graduation Bachelor of Commerce.

He is recipient of multiple doctorates from leading universities of the world, including:

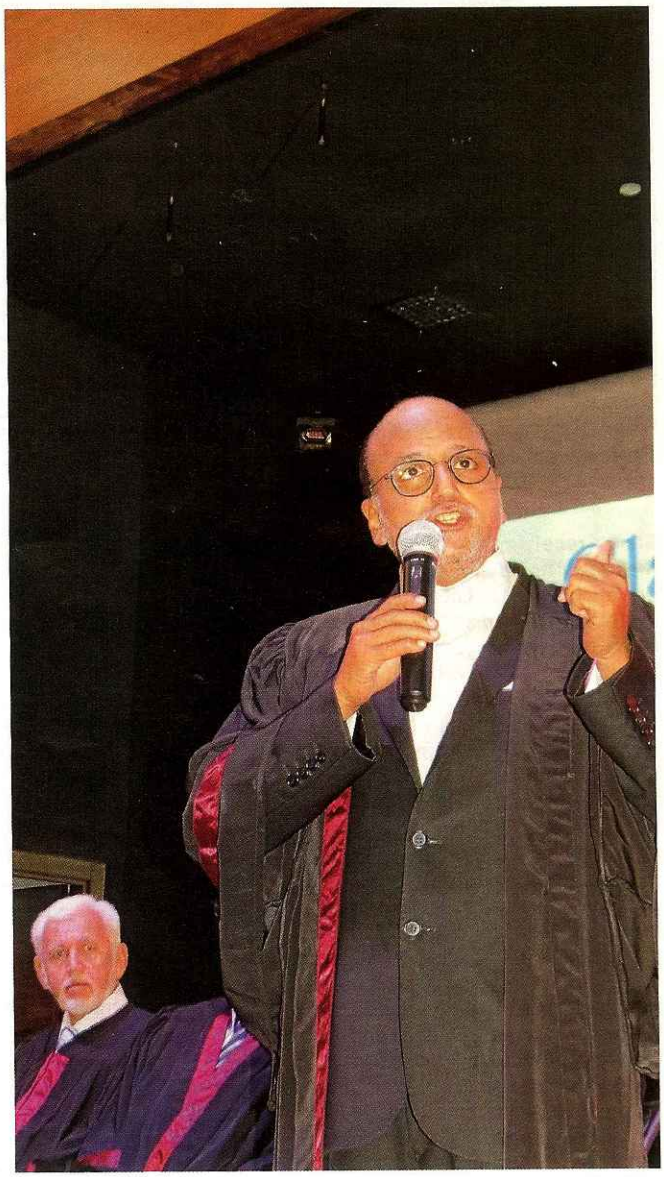
- PhD in Global Governance by European University
- PhD in Green Banking and Sustainability from Sri Sri University
- Doctorate of Laws by Washington College for his unique and valuable contribution to society in the field of banking and knowledge management,
- Doctorate of Honoris Causa from European University for his contribution to global governance and social responsibility
- 'Doctor of Philosophy (Honorary) by Arts, Science and Technology University, Lebanon (AUL) during the Annual Graduation Ceremony, for his valuable contribution to Banking and Finance.

Dr. R. Seetharaman, CEO of Doha Bank was honored with the "Green Economy Visionary Award" in 2016 by Union of Arab Banks (UAB) for his outstanding contribution of close to two decades towards environment friendly activities thereby promoting Green economies.

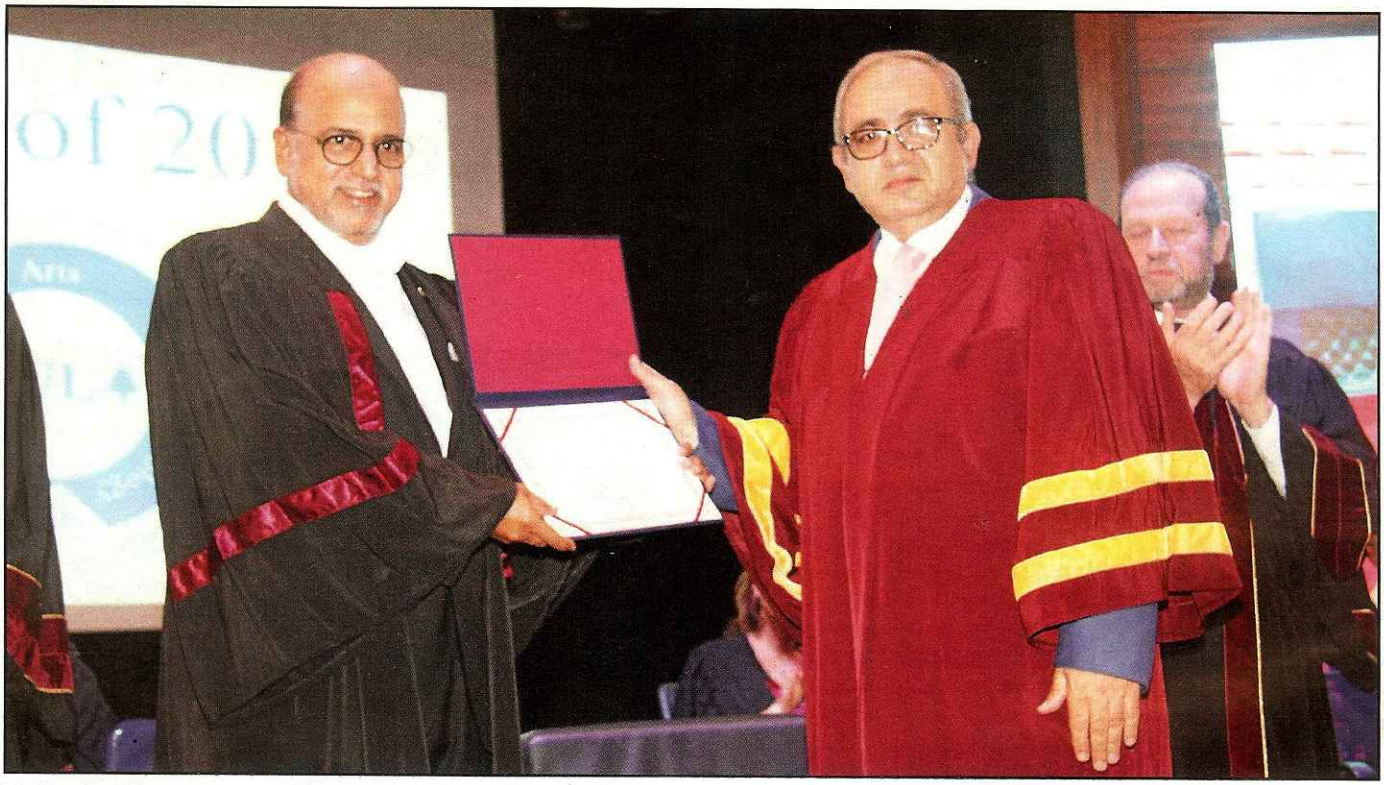
He has also been conferred with the Lifetime Achievement Award by The Banker Middle East in May 2015 "to honor his contribution to the industry, not only as the leader of one of Middle East's most dynamic banks, but also for his personal contribution to the greater understanding of the economic development of the region and his support for the environment and the business". He has been named "Best CEO in Middle East" 3 times in the last 10 years and "World Leader Business Person". He has received the "Business Man of the Year Award" in 2015 from Qatar Today, "Life Time Achievement Award" from the Institute of Directors' at the Global Summit 2014 and The "Man of the Year" at IAIR Awards 2014.

A leading top-tier Bank CEO has transformed Doha Bank as one of the best performing Banks in the Middle East region. He is a high profile economist and is invited on a regular basis by international media such as BBC, CNN, FOX, CNBC, Sky News, ABC and Bloomberg to share his views.

Recently, he was recommended for "Nobel Peace Prize" by the United Nations High Representative for the Alliance of Civilizations.



Interview: *Dr. R. Seetharaman, Chief Executive Officer of Doha Bank delivering a keynote speech during his Doctor of Philosophy (Honorary)" from the Arts, Sciences and Technology University in Lebanon (AUL)*



Professional competence and higher education: *Dr. R. Seetharaman, Chief Executive Officer of Doha Bank receiving "Doctor of Philosophy (Honorary)" from Dr. Adnan Hamzeh, the President/Founder of Arts, Sciences and Technology University in Lebanon (AUL)*

BL: On receiving the "Doctor of Philosophy (Honorary)" from the Arts, Sciences and Technology University (AUL) in Lebanon for your valuable contribution to Banking and Finance, how many doctorates have you received?

DR. R. SEETHARAMAN: With nearly three decades of experience in banking, information technology and consultancy, I have been consistently making contributions for Banking, Trade, Investment, Economics, Environment, Social responsibility, Philanthropy and Charity. Also I have been an active promoter of economic cooperation and cross border investment opportunities between the GCC countries and the rest of the world.

I have received five doctorates from leading universities of the world:

- Recently on 2nd August 2016 I was conferred with the "Doctor of Philosophy (Honorary) by Arts, Science and Technology University (AUL), Lebanon. The award was given for valuable contribution to Banking and Finance. The earlier ones are:
- PhD in Global Governance by The European University.
- PhD in Green Banking and Sustainability from Sri Sri University.
- Honorary degree Doctorate of Laws by Washington College for his unique and valuable contribution to society in the field of banking and knowledge management.
- Doctorate of Honoris Causa from European University for his contribution to global governance and social responsibility. Doha Bank was the first bank in Qatar to initiate green banking. In this regards, I was honored with the "Green Economy Visionary Award" in 2016 by Union of Arab Banks (UAB) for contribution of close to two decades towards environmental friendly activities thereby promoting Green economies. It is important to recognize the changing dynamics of the world, contribute positively to influence the society, which will support human prosperity & sustainability of the world. I will continue to do research based on professional experience so I can add value to the sustainable development of the society.

BL: How do you see the banking business model globally, regionally and locally?

DR. R. SEETHARAMAN: The capital rules are getting redefined worldwide for the banking industry. Consumer protectionism plays a big role. "In response to the crisis, the Global regulatory reforms had been actively reviewed under the leadership of G20 countries in co-ordination with financial stability Board (FSB), International Monetary Fund (IMF) and Bank for International Settlements (BIS). The Dodd–Frank Wall Street Reform and Consumer Protection Act in US implemented the regulatory reforms in response to the crisis. The Volcker's Rule was enacted under this regulation to restrict proprietary trading. The SEC also proposed tougher disclosure rules for Hedge fund and private equity firms. FSB, IMF and BIS are working on macro-prudential policy frameworks, including tools to mitigate the impact of excessive capital flows. Policy framework for systemically important financial institutions, regulation and oversight of shadow banking, risk practices on structured products were some of the areas which required review in the light of current crisis. Basel 3 is also planned to be implemented. The Banking Business model will be redefined on account of shift from de-regulation to re-regulation."

Global Governance is giving emphasis on global economic recovery with focus on areas such as infrastructure development, trade and competition. It also gives emphasis on attaining inclusive growth and improving basic services which remains a challenge for countries with growing middle classes. The Global Governance has given focus on areas relating to sustainable development such as financing development post 2015, food security, climate change and building future capacities. It has also given attention to transform World trade through Global value chains. Universal standards are set in for accounting, valuation and securitization. Today, the basic banking is visible. Deleveraging has to take place and most of the G-20 decisions needs to converge in business modelling.

BL: What are your futuristic projects in terms of banking or finance or managerial economics?

DR. R. SEETHARAMAN: I have done research on global citizenship & allied economic implications to futuristic world. Global citizenship should encourage the responsibilities we have to each other (regardless of where we live) and to the world community. If cultural differences are addressed, it is possible to work towards a single world. Understanding the cultures of other

Knowledge is power: *Dr. R. Seetharaman, Chief Executive Officer of Doha Bank and his spouse Sangeeta; Qatari VIP executives and UAE Ambassador to Lebanon during the opening ceremony of AUL 2016 graduation*

The Power of Knowledge *Dr. R. Seetharaman, Chief Executive Officer of Doha Bank delivering a keynote speech during his Doctor of Philosophy (Honorary)" from the Arts, Sciences and Technology University (AUL)*

Developing skill in the mental environment: *Dr. R. Seetharaman, Chief Executive Officer of Doha Bank coversing with Dr. Adnan Hamzeh, President of AUL and Qatar Central Bank's Executive*

countries is the first step in addressing cultural differences. For the last one hundred years or more, there have been significant migrations of people and vast exchanges of ideas between various countries, which has given rise to the concept of "single world." It is an information-centric world rather than a location-centric world. What happens in one part of the world quickly impacts what happens elsewhere. Also crystallizing to your thought, knowledge society of corporate management is a route towards sustainable development. I detailed my experiments in this spaces, few more are coming.....

BL: How is the global growth scenario?

DR. R. SEETHARAMAN: As per IMF's 'Global Economic Outlook Update - July 2016', the baseline global growth forecast has been revised down to 3.1 percent in 2016(In %)- The baseline global growth forecast has been revised down to 3.1 percent in 2016 and 3.4 percent in 2017 respectively on account of Brexit development. The effects of Brexit are greatest in the UK, there is not enough information available to make a full assessment of its impact. Before the referendum vote on 23 June, the global economy had been showing promising signs of growth. The first half of 2016 revealed some promising signs, for example, stronger than expected growth in the euro area and Japan, as well as a partial recovery in commodity prices that helped several emerging and developing economies. But Brexit has thrown a spanner in the works. The outlook worsens for advanced economies (down by 0.1 percentage points in 2016 to 1.8 percent and 0.2 percentage points in 2017 to 1.8 percent) while it remains broadly unchanged for emerging market and developing economies at 4.1 percent for 2016 and 4.6 percent for 2017. US economy growth at 2.2 percent in 2016 and 2.5 percent in 2017. The first quarter growth of US was weaker than expected. The impact of Brexit is projected to be muted for the United States, as lower long-term interest rates and a more gradual path of monetary policy normalization.

In UK growth revised down by about 0.2 percentage points for 2016 to 1.7 percent and by close to 1 percentage point in 2017 to 1.3 percent on account of Brexit. In Eurozone in the light of the potential impact of increased uncertainty

Particulars	2015	2016E	2017E
World Output	3.1	3.1	3.4
Advanced Economies	1.9	1.8	1.8
UK	2.2	1.7	1.3
U.S	2.4	2.2	2.5
Euro Area	1.7	1.6	1.4
Japan	0.5	0.3	0.1
Emerging and Developing economies	4	4.1	4.6
BRICS Economies			
Brazil	-3.8	-3.3	0.5
Russia	-3.7	-1.2	1.0
India	7.6	7.4	7.4
China	6.9	6.6	6.2
South Africa	1.3	0.1	1.0
Middle East, North Africa, Afghanistan and Pakistan	2.3	3.4	3.3

on consumer and business confidence, 2017 growth was revised down by 0.2 percentage to 1.4 percent while 2016 growth is still projected to be slightly higher at 1.6 percent given better outcomes in the first half of the year.,In Japan the further appreciation of the yen in recent months is expected to take a toll on growth in both 2016 and 2017: as a result, the growth forecast for 2016 has been reduced by about 0.2 percentage points to 0.3 percent and the upward revision to growth in 2017 is now projected to be only 0.2 percentage points to 0.1 percent. In China, the near-term outlook has improved due to recent policy support. China's growth outlook is at 6.6 % in 2016 and 6.2 % in 2017. The direct impact of the U.K. referendum will likely be limited. However, should growth in the European Union be affected significantly, the adverse effect on China could be material. Consumer and business confidence appears to have bottomed out in Brazil, and the GDP contraction in the first quarter was milder than anticipated. Consequently, the 2016 recession is now projected to be slightly less severe with a contraction of 3.3 percent, with a return to positive growth in 2017 of 0.5 percent. Higher oil prices are providing some relief to the Russian economy, where the decline in GDP in 2016 is now projected to be milder at (-) 1.2 percent and in 2017 at 1 %, but prospects of a strong recovery are subdued given longstanding structural bottlenecks. In India, economic activity remains buoyant, but the growth forecast for 2016-17 was trimmed slightly to 7.4 percent for both the years, reflecting a more sluggish investment recovery. In South Africa, GDP is projected to remain flat in 2016 at 0.1 percent, with only a modest recovery next year of 1 percent. In the Middle East, oil exporters are benefiting from the recent modest recovery in oil prices while continuing fiscal consolidation in response to structurally lower oil revenues, but many countries in the region are still plagued by strife and conflict. Middle East, North Africa, Afghanistan and Pakistan expected to grow by 3.4 % in 2016 and 3.3 in 2017.

BL: How will Brexit impact global economy?

DR. R. SEETHARAMAN: The European Union is one of the world's largest trading blocs and it's a major trade partner with China and the United States. If it breaks, it could lead to a lot of global uncertainty and many trade deals would need to be restructured. Under Article 50 of the Lisbon Treaty, the formal negotiation process for withdrawal should take place within a two-year period. A lot depends on the kind of trade deal Britain can negotiate with the EU and how quickly. If Britain gets a quick deal with no big reductions in its access to the single market, the grimmer scenarios for the world economy may not come to pass. China's struggling economy may take a hit from the chaos in the EU, its second-largest trading partner. A smaller, less-stable European market and more cash-strapped consumers aren't good news for Chinese exporters. With US and China affected and UK, European Union and Japan not yet recovered; the global growth is expected to face more challenges.

BL: What is your insight on Qatar Fiscal Policies?

DR. R. SEETHARAMAN: Qatar has budgeted for revenues of 156 billion Riyals and expenditures of 202.5 billion Riyals in 2016 and post a deficit of 46.5 billion riyals. The shortfall is expected to be covered by local and international debt issues. Health, education and infrastructure are the major areas which are going to give thrust by Qatar this year. Major infrastructure expenditures, would include railways, the new Doha port, several large roadways and the expansion of electricity, water and sewage networks. The government came up with $9bn bond issue this year. The government is also taking steps to increase nonoil revenues, focusing on indirect taxes and levies. Qatar has increased stamp duty and plans to levy additional taxes on alcohol, tobacco and energy drinks starting in 2017. Qatar plans to start applying VAT at a rate of 5 percent in the year 2018.

BL: What is your insight on Saudi fiscal policy and capital markets reforms?

DR. R. SEETHARAMAN: Saudi plans to spend 840 billion Saudi Riyals in 2016, down 14percent from the 975 billion Riyals it expects to spend in 2015. The projected revenue falls to 513.8 billion Riyals in 2016, down from 608 billion Riyals expected in 2015. It has allocated SAR183Bn provisions for oil price fluctuations in 2016. Saudi Arabia plans to gradually cut subsidies and sell stakes in government entities as it seeks to counter a slump in oil revenue. The government plans to introduce a value-added tax in coordination with other countries in the region, and raise taxes on soft drinks and tobacco. The budget deficit will be managed through financing options available such as local and external borrowing and without adversely affecting the liquidity of the domestic banking sector. Saudi Arabia has unveiled its Vision 2030 roadmap with three key themes–a "vibrant society", a "thriving economy" and an "ambitious nation. The Kingdom plans to value state oil company Saudi Aramco at more than USD2tn ahead of the sale of less than 5 percent of it through an initial public offering. The Kingdom would raise the capital of its public investment fund to SAR7tn (USD2tn) from SAR600bn (USD160bn). To raise the share of non-oil exports in non-oil GDP from 16 percent to 50 percent. To increase the private sector's contribution from 40 percent to 65 percent of GDP. To increase SME contribution to GDP from 20 percent to 35 percent. Reforms announced, indicated authorities are now courting foreign money more aggressively. Each foreign institutional investor will be allowed to own directly a stake of just under 10 percent of a single listed company, up from a previous ceiling of 5 percent. Other restrictions were scrapped, including a ceiling of 10percent on combined ownership by foreign institutions of the market's entire capitalization. All foreign investors combined will be limited to owning 49percent of any single firm. To qualify as a foreign institutional investor in Saudi Arabia, each asset manager will only need to have a minimum of USD $1 billion of assets under management globally, instead of USD $5 billion.