



QINVEST

**CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2017**

PARTNERS IN VALUE CREATION



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2017 (QAR)



	2017 ⁽¹⁾ QAR'000	2016 QAR'000
ASSETS		
Cash and bank balances	84,944	93,162
Placements with banks	350,761	651,327
Financing assets	876,050	1,607,308
Investment securities	2,122,015	1,386,600
Investment in real estate	408,565	344,293
Investment in property lease	193,484	172,081
Investment in associates	275,706	238,074
Other assets	148,294	196,330
TOTAL ASSETS	4,459,819	4,689,175
LIABILITIES		
Financing liabilities	1,696,867	1,906,861
Other liabilities	149,993	106,943
TOTAL LIABILITIES	1,846,860	2,013,804
EQUITY		
Share capital	2,567,500	2,730,000
Share premium	7,800	27,300
Treasury shares	-	(182,000)
Other reserves	45,207	32,316
Accumulated losses	(131,138)	(42,522)
Total equity attributable to shareholders of the Bank	2,489,369	2,565,094
Non-controlling interests	123,590	110,277
Total equity	2,612,959	2,675,371
TOTAL LIABILITIES AND EQUITY	4,459,819	4,689,175
Off-balance sheet items		
Restricted investment accounts	882,173	891,436

⁽¹⁾ 31 December 2017 results reflect the early adoption of FAS 30 and the guidance of IFRS 9 for the matters not covered by AAOIFI. Prior year balances have not been restated.

Sheikh Jassim Bin Hamad Bin Jassim Bin Jabor Al Thani
Chairman

Tamim Hamad Al-Kawari
Chief Executive Officer

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2017 (QAR)



	2017 ⁽¹⁾ QAR'000	2016 QAR'000
Fee and commission income, net	40,634	77,619
Income from financing assets	138,597	174,265
Net gain from investments	167,894	138,669
Income from placements with banks	6,838	4,062
Share of results of associates	9,849	15,805
Profit from a subsidiary held for sale	-	5,267
Other income	4,753	910
Total operating revenue	368,565	416,597
Staff costs	(136,141)	(137,941)
General and administrative expenses	(51,251)	(53,810)
Depreciation and amortization	(3,869)	(3,866)
Total operating expenses	(191,261)	(195,617)
Operating profit	177,304	220,980
Finance expenses	(77,934)	(67,551)
Impairments and credit losses, net	(11,479)	(126,253)
Fair value changes in financing assets and other debt instrument, net	(4,441)	-
Other (provisions) / reversals	(1,881)	3,640
Profit before tax	81,569	30,816
Tax expense	(7,576)	(2,204)
NET PROFIT FOR THE YEAR	73,993	28,612
Attributable to:		
Shareholders of the Bank	65,861	22,451
Non-controlling interests	8,132	6,161
	73,993	28,612

⁽¹⁾ 31 December 2017 results reflect the early adoption of FAS 30 and the guidance of IFRS 9 for the matters not covered by AAOIFI. Prior year balances have not been restated.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2017 (US\$)



	2017 ⁽¹⁾ US\$'000	2016 US\$'000
ASSETS		
Cash and bank balances	23,336	25,594
Placements with banks	96,363	178,936
Financing assets	240,673	441,568
Investment securities	582,971	380,934
Investment in real estate	112,243	94,586
Investment in property lease	53,155	47,275
Investment in associates	75,743	65,405
Other assets	40,740	53,937
TOTAL ASSETS	1,225,224	1,288,235
LIABILITIES		
Financing liabilities	466,172	523,863
Other liabilities	41,207	29,380
TOTAL LIABILITIES	507,379	553,243
EQUITY		
Share capital	705,357	750,000
Share premium	2,143	7,500
Treasury shares	-	(50,000)
Other reserves	12,419	8,878
Accumulated losses	(36,027)	(11,682)
Total equity attributable to shareholders of the Bank	683,892	704,696
Non-controlling interests	33,953	30,296
Total equity	717,845	734,992
TOTAL LIABILITIES AND EQUITY	1,225,224	1,288,235
Off-balance sheet items		
Restricted investment accounts	242,355	244,900

⁽¹⁾ 31 December 2017 results reflect the early adoption of FAS 30 and the guidance of IFRS 9 for the matters not covered by AAOIFI. Prior year balances have not been restated.

Sheikh Jassim Bin Hamad Bin Jassim Bin Jabor Al Thani
Chairman

Tamim Hamad Al-Kawari
Chief Executive Officer

The accompanying notes 1 to 35 form an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2017 (US\$)



	2017 ⁽¹⁾ US\$'000	2016 US\$'000
Fee and commission income, net	11,163	21,324
Income from financing assets	38,076	47,875
Net gain from investments	46,125	38,096
Income from placements with banks	1,878	1,116
Share of results of associates	2,706	4,342
Profit from a subsidiary held for sale	-	1,447
Other income	1,306	250
Total operating revenue	101,254	114,450
Staff costs	(37,401)	(37,896)
General and administrative expenses	(14,080)	(14,783)
Depreciation and amortization	(1,063)	(1,062)
Total operating expenses	(52,544)	(53,741)
Operating profit	48,710	60,709
Finance expenses	(21,410)	(18,558)
Impairments and credit losses, net	(3,153)	(34,685)
Fair value changes in financing assets and other debt instrument, net	(1,220)	-
Other (provisions) / reversals	(517)	1,000
Profit before tax	22,410	8,466
Tax expense	(2,082)	(605)
NET PROFIT FOR THE YEAR	20,328	7,861
Attributable to:		
Shareholders of the Bank	18,094	6,168
Non-controlling interests	2,234	1,693
	20,328	7,861

⁽¹⁾ 31 December 2017 results reflect the early adoption of FAS 30 and the guidance of IFRS 9 for the matters not covered by AAOIFI. Prior year balances have not been restated.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2017



	Attributable to shareholders of the bank					Total equity attributable to shareholders of the Bank US\$ '000	Non-controlling interest US\$ '000	Total equity US\$ '000
	Share capital US\$ '000	Share premium US\$ '000	Treasury shares US\$ '000	Other reserves (Note 16) US\$ '000	Accumulated losses ⁽¹⁾ US\$ '000			
As at 31 December 2016 (Previously reported)	750,000	7,500	(50,000)	8,878	(11,682)	704,696	30,296	734,992
Transition adjustment on early adoption of FAS 30 and guidance of IFRS 9 at 1 January 2017	-	-	-	-	(42,439)	(42,439)	-	(42,439)
Restated balance as at 1 January 2017	750,000	7,500	(50,000)	8,878	(54,121)	662,257	30,296	692,553
Profit for the year	-	-	-	-	18,094	18,094	2,234	20,328
Extinguishment of treasury shares	(44,643)	(5,357)	50,000	-	-	-	-	-
Foreign currency translation differences of foreign operations	-	-	-	28,687	-	28,687	3,757	32,444
Effective portion of changes in fair value of net investment hedges	-	-	-	(22,230)	-	(22,230)	-	(22,230)
Effective portion of changes in fair value of cash flow hedges	-	-	-	(3,645)	-	(3,645)	-	(3,645)
Net change in fair value of investment designated as equity	-	-	-	227	-	227	-	227
Share of reserves of equity accounted associates	-	-	-	(25)	-	(25)	-	(25)
Share-based payments	-	-	-	527	-	527	-	527
Net movement in non-controlling interests	-	-	-	-	-	-	(2,334)	(2,334)
As at 31 December 2017⁽¹⁾	705,357	2,143	-	12,419	(36,027)	683,892	33,953	717,845

⁽¹⁾ 31 December 2017 results reflect the early adoption of FAS 30 and the guidance of IFRS 9 for the matters not covered by AAOFI. Prior year balances have not been restated.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

For the year ended 31 December 2017



	Attributable to shareholders of the bank					Total equity attributable to shareholders of the Bank US\$ '000	Non-controlling interest US\$ '000	Total equity US\$ '000
	Share capital US\$ '000	Share premium US\$ '000	Treasury shares US\$ '000	Other reserves (Note 16) US\$ '000	Retained earnings / (Accumulated losses) US\$ '000			
As at 1 January 2016	750,000	7,500	(50,000)	30,446	10,363	748,309	5,100	753,409
Profit for the year	-	-	-	-	6,168	6,168	1,693	7,861
Foreign currency translation differences of foreign operations	-	-	-	(23,536)	-	(23,536)	(1,477)	(25,013)
Effective portion of changes in fair value of net investment hedges	-	-	-	19,852	-	19,852	-	19,852
Effective portion of changes in fair value of cash flow hedges	-	-	-	(1,657)	-	(1,657)	-	(1,657)
Net change in fair value of investment designated as equity	-	-	-	(9,511)	-	(9,511)	-	(9,511)
Fair value reserve transferred to the consolidated income statement	-	-	-	(8,281)	-	(8,281)	-	(8,281)
Share of reserves of equity accounted associate	-	-	-	(630)	-	(630)	-	(630)
Share-based payments	-	-	-	2,195	-	2,195	-	2,195
Dividends	-	-	-	-	(28,213)	(28,213)	-	(28,213)
Net movement in non-controlling interests	-	-	-	-	-	-	24,980	24,980
Balance as at 31 December 2016	750,000	7,500	(50,000)	8,878	(11,682)	704,696	30,296	734,992

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