



QINVEST

**CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2016**

PARTNERS IN VALUE CREATION

CONSOLIDATED FINANCIAL STATEMENTS (QAR)

31 DECEMBER 2016



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2016 (QAR)

	2016 QAR '000	2015 QAR '000
ASSETS		
Cash and bank balances	93,162	251,342
Placements with banks	651,327	227,402
Financing assets	1,607,308	1,817,911
Investment securities	1,386,600	1,293,521
Investment in real estate	344,293	212,598
Investment in property lease	172,081	183,081
Investment in associates	238,074	282,169
Assets of a subsidiary held for sale	-	4,459
Other assets	196,330	204,794
TOTAL ASSETS	4,689,175	4,477,277
LIABILITIES		
Financing liabilities	1,906,861	1,613,230
Liabilities of a subsidiary held for sale	-	3,400
Other liabilities	106,943	118,239
TOTAL LIABILITIES	2,013,804	1,734,869
EQUITY		
Share capital	2,730,000	2,730,000
Share premium	27,300	27,300
Treasury shares	(182,000)	(182,000)
Other reserves	32,316	110,823
(Accumulated losses) / Retained earnings	(42,522)	37,721
Total equity attributable to shareholders of the Bank	2,565,094	2,723,844
Non-controlling interest	110,277	18,564
Total equity	2,675,371	2,742,408
TOTAL LIABILITIES AND EQUITY	4,689,175	4,477,277
Off-balance sheet items		
Restricted investment accounts	891,436	576,762

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 2016 (QAR)

	2016 QAR '000	2015 QAR '000
Fee and commission income	77,619	51,153
Income from financing assets	174,265	138,986
Net gain from investments	138,669	183,627
Income from placements with banks	4,062	4,372
Share of results of associates	15,805	(5,376)
Profit from a subsidiary held for sale	5,267	21,207
Other income / (loss)	910	(491)
Total operating revenue	416,597	393,478
Staff costs	(137,941)	(130,410)
General and administrative expenses	(53,810)	(45,242)
Depreciation and amortisation	(3,866)	(3,462)
Total operating expenses	(195,617)	(179,114)
Operating profit	220,980	214,364
Finance expenses	(67,551)	(25,520)
Reversal/(Provision) for legal claims	3,640	(4,859)
Impairment loss on financial assets	(126,253)	(26,503)
Profit before tax	30,816	157,482
Tax expense	(2,204)	(3,130)
NET PROFIT FOR THE YEAR	28,612	154,352
Attributable to:		
Shareholders of the Bank	22,452	154,103
Non-controlling interest	6,160	249
	28,612	154,352

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2016 (QAR)

	Attributable to shareholders of the bank					Total equity attributable to shareholders of the Bank QAR '000	Non-controlling interest QAR '000	Total Equity QAR '000
	Share capital QAR '000	Share premium QAR '000	Treasury shares QAR '000	Other reserves QAR '000	(Accumulated losses) / Retained earnings QAR '000			
As at 1 January 2016	2,730,000	27,300	(182,000)	110,823	37,721	2,723,844	18,564	2,742,408
Profit for the year	-	-	-	-	22,452	22,452	6,160	28,612
Foreign currency translation differences of foreign operations	-	-	-	(85,671)	-	(85,671)	(5,374)	(91,045)
Effective portion of changes in fair value of net investment hedges	-	-	-	72,261	-	72,261	-	72,261
Effective portion of changes in fair value of cash flow hedges	-	-	-	(6,031)	-	(6,031)	-	(6,031)
Net change in fair value of investment designated as equity	-	-	-	(34,620)	-	(34,620)	-	(34,620)
Fair value reserve transferred to the consolidated income statement	-	-	-	(30,143)	-	(30,143)	-	(30,143)
Share of reserves of equity accounted associates	-	-	-	(2,293)	-	(2,293)	-	(2,293)
Share-based payments	-	-	-	7,990	-	7,990	-	7,990
Dividends	-	-	-	-	(102,695)	(102,695)	-	(102,695)
Net movement in non-controlling interests	-	-	-	-	-	-	90,927	90,927
As at 31 December 2016	2,730,000	27,300	(182,000)	32,316	(42,522)	2,565,094	110,277	2,675,371

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY CONTINUED

For the year ended 31 December 2016 (QAR)

	Attributable to shareholders of the bank					Total equity attributable to shareholders of the Bank QAR '000	Non-controlling interest QAR '000	Total Equity QAR '000
	Share capital QAR '000	Share premium QAR '000	Treasury shares QAR '000	Other reserves QAR '000	Retained earnings/ (Accumulated losses) QAR '000			
As at 1 January 2015	2,730,000	27,300	(182,000)	40,335	(65,032)	2,550,603	-	2,550,603
Profit for the year	-	-	-	-	154,103	154,103	249	154,352
Foreign currency translation differences of foreign operations	-	-	-	(3,731)	-	(3,731)	(602)	(4,333)
Effective portion of changes in fair value of net investment hedges	-	-	-	1,310	-	1,310	-	1,310
Effective portion of changes in fair value of cash flow hedges	-	-	-	(717)	-	(717)	-	(717)
Net change in fair value of investment designated as equity	-	-	-	32,163	-	32,163	-	32,163
Share of reserves of equity accounted associates	-	-	-	29,062	-	29,062	-	29,062
Share-based payments	-	-	-	12,401	-	12,401	-	12,401
Dividends	-	-	-	-	(51,350)	(51,350)	-	(51,350)
Net movement in non-controlling interest	-	-	-	-	-	-	18,917	18,917
As at 31 December 2015	2,730,000	27,300	(182,000)	110,823	37,721	2,723,844	18,564	2,742,408

CONSOLIDATED FINANCIAL STATEMENTS (US\$)

31 DECEMBER 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2016 (US\$)

	2016 US\$ '000	2015 US\$ '000
ASSETS		
Cash and bank balances	25,594	69,050
Placements with banks	178,936	62,473
Financing assets	441,568	499,426
Investment securities	380,934	355,363
Investment in real estate	94,586	58,406
Investment in property lease	47,275	50,297
Investment in associates	65,405	77,519
Assets of a subsidiary held for sale	-	1,225
Other assets	53,937	56,262
TOTAL ASSETS	1,288,235	1,230,021
LIABILITIES		
Financing liabilities	523,863	443,195
Liabilities of a subsidiary held for sale	-	934
Other liabilities	29,380	32,483
TOTAL LIABILITIES	553,243	476,612
EQUITY		
Share capital	750,000	750,000
Share premium	7,500	7,500
Treasury shares	(50,000)	(50,000)
Other reserves	8,878	30,446
(Accumulated losses) / Retained earnings	(11,682)	10,363
Total equity attributable to shareholders of the Bank	704,696	748,309
Non-controlling interest	30,296	5,100
Total equity	734,992	753,409
TOTAL LIABILITIES AND EQUITY	1,288,235	1,230,021
Off-balance sheet items		
Restricted investment accounts	244,900	158,451



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 2016 (US\$)

	2016 US\$ '000	2015 US\$ '000
Fee and commission income	21,324	14,053
Income from financing assets	47,875	38,183
Net gain from investments	38,096	50,447
Income from placements with banks	1,116	1,201
Share of results of associates	4,342	(1,477)
Profit from a subsidiary held for sale	1,447	5,826
Other income / (loss)	250	(135)
Total operating revenue	114,450	108,098
Staff costs	(37,896)	(35,827)
General and administrative expenses	(14,783)	(12,429)
Depreciation and amortisation	(1,062)	(951)
Total operating expenses	(53,741)	(49,207)
Operating profit	60,709	58,891
Finance expenses	(18,558)	(7,011)
Reversal/(Provision) for legal claims	1,000	(1,335)
Impairment loss on financial assets	(34,685)	(7,281)
Profit before tax	8,466	43,264
Tax expense	(605)	(860)
NET PROFIT FOR THE YEAR	7,861	42,404
Attributable to:		
Shareholders of the Bank	6,168	42,336
Non-controlling interest	1,693	68
	7,861	42,404

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2016 (US\$)

	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 US\$ '000	(Accumulated losses) / Retained earnings 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 associates	-	-	-	(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
As at 31 December 2016	750,000	7,500	(50,000)	8,878	(11,682)	704,696	30,296	734,992

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY CONTINUED

For the year ended 31 December 2016 (US\$)

	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 US\$ '000	Retained earnings / (Accumulated losses) US\$ '000			
As at 1 January 2015	750,000	7,500	(50,000)	11,081	(17,866)	700,715	-	700,715
Profit for the year	-	-	-	-	42,336	42,336	68	42,404
Foreign currency translation differences of foreign operations	-	-	-	(1,025)	-	(1,025)	(166)	(1,191)
Effective portion of changes in fair value of net investment hedges	-	-	-	360	-	360	-	360
Effective portion of changes in fair value of cash flow hedges	-	-	-	(197)	-	(197)	-	(197)
Net change in fair value of investment designated as equity	-	-	-	8,836	-	8,836	-	8,836
Share of reserves of equity accounted associates	-	-	-	7,984	-	7,984	-	7,984
Share-based payments	-	-	-	3,407	-	3,407	-	3,407
Dividends	-	-	-	-	(14,107)	(14,107)	-	(14,107)
Net movement in non-controlling interest	-	-	-	-	-	-	5,198	5,198
As at 31 December 2015	750,000	7,500	(50,000)	30,446	10,363	748,309	5,100	753,409

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Note: "\$" refers to US Dollars throughout this document