



QINVEST

**CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS
31 MARCH 2018**

PARTNERS IN VALUE CREATION

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF QINVEST LLC

Introduction

We have reviewed the accompanying 31 March 2018 condensed consolidated interim financial statements of QInvest LLC (the 'Bank') and its subsidiaries (together the 'Group'), which comprise:

- the condensed consolidated statement of financial position as at 31 March 2018;
- the condensed consolidated statement of income for the three month period ended 31 March 2018;
- the condensed consolidated statement of changes in equity for the three month period ended 31 March 2018;
- the condensed consolidated statement of changes in restricted investment accounts for the three month period ended 31 March 2018;
- the condensed consolidated statement of cash flows for the three month period ended 31 March 2018; and
- notes to the condensed consolidated interim financial statements.

The Board of Directors of the Bank is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with Financial Accounting Standards ('FAS') issued by the Accounting and Auditing Organisation for Islamic Financial Institutions ('AAOIFI'). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, '*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*'. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Auditing Standards for Islamic Financial Institutions and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2018 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with FAS issued by AAOIFI.

Other matter

The condensed consolidated interim financial statements as at and for the three month period ended 31 March 2017 were reviewed, and the consolidated financial statements as at and for the year ended 31 December 2017 were audited, by another auditor, whose review and audit reports dated 18 April 2017 and 17 January 2018 respectively, expressed an unmodified review conclusion and an unmodified audit opinion thereon.

KPMG L.L.C.

15 April 2018
Doha
State of Qatar

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2018 (QAR)



	31 March 2018 (Reviewed) QAR '000	31 December 2017 (Audited) QAR '000
ASSETS		
Cash and bank balances	71,883	84,944
Placements with banks	252,561	350,761
Financing assets	876,210	876,050
Investment securities	2,411,569	2,122,015
Investment in real estate	233,481	408,565
Investment in property lease	201,423	193,484
Investment in associates	272,381	275,706
Other assets	189,284	148,294
TOTAL ASSETS	4,508,792	4,459,819
LIABILITIES		
Financing liabilities	1,731,537	1,696,867
Other liabilities	156,720	149,993
TOTAL LIABILITIES	1,888,257	1,846,860
EQUITY		
Share capital	2,567,500	2,567,500
Share premium	7,800	7,800
Other reserves	63,707	45,207
Accumulated losses	(129,406)	(131,138)
Total equity attributable to shareholders of the Bank	2,509,601	2,489,369
Non-controlling interests	110,934	123,590
Total equity	2,620,535	2,612,959
TOTAL LIABILITIES AND EQUITY	4,508,792	4,459,819
Off-balance sheet items		
Restricted investment accounts	903,499	882,173

These condensed consolidated interim financial statements were approved by the Board of Directors on 15 April 2018 and were signed on its behalf by:

Sheikh Jassim Bin Hamad Bin Jassim Bin Jaber Al Thani
Chairman

Tamim Hamad Al-Kawari
Chief Executive Officer

CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the three month period ended 31 March 2018 (QAR)



	Three months period ended	
	31 March 2018 (Reviewed) QAR '000	31 March 2017 (Reviewed) (Restated) QAR '000
Fee and commission income, net	8,376	14,080
Income from financing assets	35,308	45,296
Income from investment, net	34,052	35,916
Income from placements with banks	1,416	2,442
Share of results of associates	(5,427)	1,558
Other income	(673)	477
Total operating revenue	73,052	99,769
Staff costs	(35,647)	(33,990)
General and administrative expenses	(11,044)	(12,471)
Depreciation and amortisation	(990)	(925)
Total operating expenses	(47,681)	(47,386)
Operating profit	25,371	52,383
Finance expenses	(20,854)	(19,157)
Impairments and credit losses, net	(2,646)	(360)
Fair value changes on financing assets, net	3,196	(14,458)
Profit before tax	5,067	18,408
Tax expense	(528)	(1,824)
Net profit	4,539	16,584
<i>Attributable to:</i>		
Shareholders of the Bank	1,733	14,866
Non-controlling interests	2,806	1,718
	4,539	16,584

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2018 (US\$)



	Notes	31 March 2018 (Reviewed) US\$ '000	31 December 2017 (Audited) US\$ '000
ASSETS			
Cash and bank balances		19,748	23,336
Placements with banks		69,385	96,363
Financing assets	4	240,717	240,673
Investment securities	5	662,519	582,971
Investment in real estate		64,143	112,243
Investment in property lease		55,336	53,155
Investment in associates		74,830	75,743
Other assets		52,001	40,740
TOTAL ASSETS		1,238,679	1,225,224
LIABILITIES			
Financing liabilities		475,697	466,172
Other liabilities		43,055	41,207
TOTAL LIABILITIES		518,752	507,379
EQUITY			
Share capital		705,357	705,357
Share premium		2,143	2,143
Other reserves	10	17,502	12,419
Accumulated losses		(35,551)	(36,027)
Total equity attributable to shareholders of the Bank		689,451	683,892
Non-controlling interests		30,476	33,953
Total equity		719,927	717,845
TOTAL LIABILITIES AND EQUITY		1,238,679	1,225,224
Off-balance sheet items			
Restricted investment accounts		248,214	242,355

These condensed consolidated interim financial statements were approved by the Board of Directors on 15 April 2018 and were signed on its behalf by:

Sheikh Jassim Bin Hamad Bin Jassim Bin Jabor Al Thani
Chairman

Tamim Hamad Al-Kawari
Chief Executive Officer

CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the three month period ended 31 March 2018 (US\$)



	Notes	Three months period ended	
		31 March 2018 (Reviewed) US\$ '000	31 March 2017 (Reviewed) (Restated) US\$ '000
Fee and commission income, net		2,301	3,868
Income from financing assets		9,700	12,444
Income from investment, net	7	9,355	9,867
Income from placements with banks		389	671
Share of results of associates		(1,491)	428
Other income		(185)	131
Total operating revenue		20,069	27,409
Staff costs		(9,793)	(9,338)
General and administrative expenses		(3,034)	(3,426)
Depreciation and amortisation		(272)	(254)
Total operating expenses		(13,099)	(13,018)
Operating profit		6,970	14,391
Finance expenses		(5,729)	(5,263)
Impairments and credit losses, net	8	(727)	(99)
Fair value changes on financing assets, net		878	(3,973)
Profit before tax		1,392	5,056
Tax expense		(145)	(501)
Net profit		1,247	4,555
<i>Attributable to:</i>			
Shareholders of the Bank		476	4,083
Non-controlling interests		771	472
		1,247	4,555

The accompanying notes from 1 to 12 form part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three month period ended 31 March 2018



	Attributable to shareholders of the bank					Total equity attributable to shareholders of the Bank US\$ '000	Non-controlling interests US\$ '000	Total Equity US\$ '000
	Share capital US\$ '000	Share premium US\$ '000	Other reserves US\$ '000	Accumulated losses US\$ '000				
As at 1 January 2018 (Audited)	705,357	2,143	12,419	(36,027)	683,892	33,953	717,845	
Profit	-	-	-	476	476	771	1,247	
Foreign currency translation differences on foreign operations	-	-	15,492	-	15,492	869	16,361	
Effective portion of changes in fair value of hedges	-	-	(14,777)	-	(14,777)	-	(14,777)	
Net change in fair value through equity investments	-	-	5,069	-	5,069	-	5,069	
Share-based payments	-	-	(701)	-	(701)	-	(701)	
Net movement in non-controlling interests	-	-	-	-	-	(5,117)	(5,117)	
As at 31 March 2018 (Reviewed)	705,357	2,143	17,502	(35,551)	689,451	30,476	719,927	

	Attributable to shareholders of the bank					Total equity attributable to shareholders of the Bank US\$ '000	Non-controlling interests US\$ '000	Total Equity US\$ '000
	Share capital US\$ '000	Share premium US\$ '000	Treasury shares US\$ '000	Other reserves US\$ '000	Accumulated losses US\$ '000			
As at 1 January 2017 (Audited)	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	-	-	-	-	4,083	4,083	472	4,555
Foreign currency translation differences on foreign operations	-	-	-	10,855	-	10,855	1,105	11,960
Effective portion of changes in fair value of hedges	-	-	-	(8,720)	-	(8,720)	-	(8,720)
Net change in fair value through equity investments	-	-	-	(2,420)	-	(2,420)	-	(2,420)
Share-based payments	-	-	-	(12)	-	(12)	-	(12)
Net movement in non-controlling interests	-	-	-	-	-	-	(27)	(27)
As at 31 March 2017 (Reviewed and Restated)	750,000	7,500	(50,000)	8,581	(50,038)	666,043	31,846	697,889

The accompanying notes from 1 to 12 form part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN RESTRICTED INVESTMENT ACCOUNTS

For the three month period ended 31 March 2018



	Balance at 1 January 2018 (Audited) US\$ '000	Movements during the year			Agency fees US\$ '000	Balance at 21 March 2018 (Reviewed) US\$ '000
		Investment / (repayment) US\$ '000	Revaluation gain/(loss) US\$ '000	Realised income/ (expenses) US\$ '000		
Restricted investment accounts	242,355	3,599	(2,118)	4,071	307	248,214

	Balance at 1 January 2017 (Audited) US\$ '000	Movements during the year			Agency fees US\$ '000	Balance at 21 March 2017 (Reviewed) US\$ '000
		Investment / (repayment) US\$ '000	Revaluation gain/(loss) US\$ '000	Realised income/ (expenses) US\$ '000		
Restricted investment accounts	244,900	56,322	1,245	2,561	(206)	304,822

The accompanying notes from 1 to 12 form part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three month period ended 31 March 2018



	Notes	Three months period ended	
		31 March 2018 (Reviewed) US\$ '000	31 March 2017 (Restated) (Reviewed) US\$ '000
OPERATING ACTIVITIES			
Profit before tax		1,392	5,056
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Share of results of associates		1,491	(428)
Net unrealised foreign exchange losses		297	16
Depreciation and amortization		272	254
Gain on fair value through income statement investments		(3,942)	(5,215)
Fair value loss on fair value through income statement financing assets		(878)	3,973
Impairment loss	8	727	99
Employees' end of service benefits, net		157	(128)
Fair value loss on investment in real estate		-	300
Share based payments		701	(12)
Net operating profit before changes in operating assets and liabilities		217	3,915
Change in placements with Banks		5,000	-
Change in other assets		(10,286)	(2,983)
Change in other liabilities		811	(5,628)
Net cash flows used in operating activities		(4,258)	(4,696)
INVESTING ACTIVITIES			
Purchase of investment securities		(31,238)	(70,980)
Proceeds from disposal of investment securities		10,000	7,180
Net movement in Financing assets		44	1,742
Dividends/distributions received from associate and subsidiaries		549	549
Purchase of equipment and intangible assets		(1)	(19)
Net cash flows used in investing activities		(20,646)	(61,528)
FINANCING ACTIVITIES			
Net movement in financing liabilities		(662)	(36,008)
Net cash flows used in financing activities		(662)	(36,008)
Net decrease in cash and cash equivalents		(25,566)	(102,232)
Cash and cash equivalents at 1 January		114,699	204,530
Cash and cash equivalents at 31 March	9	89,133	102,298

The accompanying notes from 1 to 12 form part of these condensed consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the three month period ended 31 March 2018



1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

QInvest LLC (“QInvest” or “the Bank”) and its subsidiaries (together referred to as the “Group”) is an Islamic investment bank, which has been established as a limited liability company in the Qatar Financial Centre. The Bank was authorised by the Qatar Financial Centre Regulatory Authority (“QFCRA”) on 30 April 2007 as a category 1 firm, under approval number 00048. Its registered office is at 39th Floor, Tornado Tower, Street No.213, Majlis Al Tawoon Street, Zone 60, West Bay, Doha, State of Qatar.

The Bank is authorised by the Qatar Financial Centre Regulatory Authority (the “QFCRA”) to conduct the following regulated activities:

- Deposit taking;
- Dealing in investments;
- Arranging deals in investments;
- Providing credit facilities;
- Arranging credit facilities;
- Providing custody services;
- Arranging the provision of custody services;
- Managing investments;
- Advising on investments; and
- Operating a collective investment fund

in or from the Qatar Financial Center, subject to certain restriction and conditions relating to retail customers and in relation to specified products.

The Bank’s activities are regulated by the QFCRA and are supervised by a Sharia’a Supervisory Board.

These condensed consolidated interim financial statements of the Group as at and for the three month period ended 31 March 2018 were authorised for issue by the Board of Directors on 15 April 2018.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with Financial Accounting Standards (“FAS”) issued by the Accounting and Auditing Organisation for Islamic Financial Institutions (“AAOIFI”) and the Shari’a Rules and Principles as determined by the Shari’a Supervisory Board of the Group. In line with the requirements of AAOIFI, for matters that are not covered by FAS, the Group uses the guidance from the relevant International Financial Reporting Standards (“IFRSs”) as issued by the International Accounting Standards Board (“IASB”). Accordingly, the condensed consolidated interim financial statements have been prepared in accordance with the guidance provided by International Accounting Standard 34 – ‘Interim Financial Reporting’.

These condensed consolidated interim financial statements are prepared on historical cost basis, except for financial investments classified as investments at fair value through equity, investments at fair value through income statement, financing assets and other debt instruments classified as fair value through income statement, derivative financial instruments, and investment in real estate that have been measured at fair value.

These condensed consolidated interim financial statements are presented US Dollars thousands (“US\$ ‘000”), except where otherwise stated, which is Group’s presentation and functional currency.

The management of the Group has decided to present the condensed consolidated statement of financial position and condensed consolidated statement of income in Qatari Riyals as well. Those two statements are disclosed at the beginning of these condensed consolidated interim financial statements as a supplementary information which do not form part of the reviewed condensed consolidated interim financial statements.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

Significant accounting policies

The accounting policies adopted in the preparation of these condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2017.

The following new and amended standards have been adopted by the Group in preparation of this condensed consolidated interim financial statements. The new standards do not have a material impact to the Group.

Topic	Effective date
IFRS 15 Revenue from Contracts with Customers	1 January 2018
IFRS 2 Classification and Measurement of Share-based Payment Transactions — Amendments to IFRS 2	1 January 2018

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's condensed consolidated interim financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Topic	Effective date
IFRS 16 Leases	1 January 2019

Restatement of comparatives

The comparatives for the three month period ended 31 March 2017 have been restated due to the early adoption of FAS 30 and guidance of IFRS 9 in the third quarter of 2017. The condensed consolidated interim financial statements as at and for the three month period ended 31 March 2017 were issued as per the previously applicable accounting standards FAS 11 in conjunction with relevant guidance of IAS 39. Below are the revised results for the three month period ended 31 March 2017 under FAS 30 and guidance of IFRS 9 highlighting the changes in the line items of the previously issued financial statements:

	As previously reported US'000	Adjustments US'000	As restated US'000
Profit for three month period ended 31 March 2017			
Fair value loss on financing assets classified as fair value through income statement (FVTIS)	-	(3,973)	(3,973)
Recoveries from expected credit losses on financial assets	-	(99)	(99)
Impairment loss on financial assets	(4,500)	4,500	-
Net adjustment		428	

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

As at and for the three month period ended 31 March 2018

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

Basis of consolidation

The Group's principal subsidiaries as at 31 March 2018 are as below:

Name	Principal Business Activity	Country of Incorporation	% Effective shareholding	
			31 March 2018	31 December 2017
QInvest Portfoy Yonetimi A.S.	Asset Management	Turkey	100%	100%
Verdi Luxembourg S.a.r.l.	Investment in real estate	Luxembourg	100%	100%
Q Business Services	Investment holding company	Cayman Islands	100%	100%
Q Liquidity Limited	Placements	Cayman Islands	100%	100%
QInvest Holding Mauritius	Investment holding company	Mauritius	100%	100%
QInvest Luxembourg S.a.r.l.	Investment holding company	Luxembourg	100%	100%
QI St Edmund's Terrace 2 Limited	Investment holding company	Cayman Islands	100%	100%
QInvest IBFin LLC	To provide financing facility	State of Qatar (QFC)	100%	100%
QI One Wall Street Invest Co.	Investment holding company	Cayman Islands	100%	100%
QEthika 1 LLC	Investment holding company	Cayman Islands	100%	100%
QNGPV1 LLC	Investment holding company	Cayman Islands	100%	100%
QInvest Euro PE QFC LLC	Investment holding company	State of Qatar (QFC)	100%	100%
QInvest Rio LLC	Investment holding company	State of Qatar (QFC)	63%	63%
Rio income s.a.r.l.	Investment in lease assets	Luxembourg	90%	90%
Q Tomahawk LLC	Investment holding company	Cayman Islands	100%	100%
QInvest Refin LLC	To provide financing facility	State of Qatar (QFC)	100%	100%
Q Alloy S.a.r.l.	To provide financing facility	Luxemburg	100%	100%
QSeven 1 LP	Investment in real estate	Cayman Island	91%	91%
Q Magnolia LLC	Investment in real estate	Cayman Island	100%	100%
BOH LLC	Investment holding company	State of Qatar (QFC)	100%	100%
Alloy Holdco LLC	Investment holding company	State of Qatar (QFC)	100%	100%

3 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2017.

4 FINANCING ASSETS

	31 March 2018 (Reviewed) US\$'000	31 December 2017 (Audited) US\$'000
Fair value through income statement		
Murabaha	151,501	154,028
Amortised cost		
Murabaha	91,282	88,585
Less: Expected credit losses	(2,066)	(1,940)
Financing assets at amortized cost	89,216	86,645
Total financing assets	240,717	240,673

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

As at and for the three month period ended 31 March 2018

4 FINANCING ASSETS (continued)

The movements in expected credit losses /allowance for impairment for financing assets are as follow:

	31 March 2018 (Reviewed) US\$'000	31 December 2017 (Audited) US\$'000
Balance at beginning of period/year	1,940	38,780
Adjustments as a result of early adopting FAS 30 and IFRS 9 guidance		
Reversal of allowance on financing assets carried at FVIS	-	(37,213)
Additional expected credit losses	-	2,078
Adjusted balance at beginning of period / year	1,940	3,645
Net impairment / (reversals) during the period / year	126	(1,705)
Balance at end of period / year	2,066	1,940

5 INVESTMENT SECURITIES

	31 March 2018 (Reviewed) US\$'000	31 December 2017 (Audited) US\$'000
Equity		
Fair value through income statement	482,036	420,742
Fair value through equity	109,475	85,250
	591,511	505,992
Sukuk and other debt instruments		
Fair value through income statement	24,142	30,177
Amortised cost	50,250	50,239
Less: ECL allowance for impairment	(3,384)	(3,437)
	46,866	46,802
	662,519	582,971

6 FAIR VALUE HIERARCHY OF ASSETS AND LIABILITIES

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

As at and for the three month period ended 31 March 2018

6 FAIR VALUE HIERARCHY OF ASSETS AND LIABILITIES (continued)

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2018:

	Fair value US\$'000	Fair value measurement using		
		Quoted prices in active markets (Level 1) US\$'000	Significant observable inputs (Level 2) US\$'000	Significant unobservable inputs (Level 3) US\$'000
ASSETS				
Fair value through income statement investments	506,178	7,100	122,073	377,005
Fair value through income statement financing assets	151,501	-	-	151,501
Fair value through equity financial investments	109,475	14,972	-	94,503
Derivative instruments	1,204	-	1,204	-
Investment in real estate	64,143	-	-	64,143
Total	832,501	22,072	123,277	687,152
LIABILITIES				
Derivative instruments	17,030	-	17,030	-

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 December 2017:

	Fair value US\$'000	Fair value measurement using		
		Quoted prices in active markets (Level 1) US\$'000	Significant observable inputs (Level 2) US\$'000	Significant unobservable inputs (Level 3) US\$'000
ASSETS				
Fair value through income statement investments	450,919	8,143	127,417	315,359
Fair value through income statement financing assets	154,028	-	-	154,028
Fair value through equity financial investments	85,250	-	27,607	57,643
Derivative instruments	1,186	-	1,186	-
Investment in real estate	61,415	-	-	61,415
Total	752,798	8,143	156,210	588,445
LIABILITIES				
Derivative instruments	8,205	-	8,205	-

During the three month period ended 31 March 2018, there were no transfers between Level 1 and Level 2 fair value measurements.

The valuation techniques and key assumptions have remained consistent with those disclosed in the annual consolidated financial statements as at and for the year ended 31 December 2017.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

As at and for the three month period ended 31 March 2018

7 INCOME FROM INVESTMENT, NET

	Note	Three month period ended 31 March 2018 (Reviewed) US\$'000	Three month period ended 31 March 2017 (Reviewed) US\$'000
Net income from financial investments	7.1	6,601	7,754
Net income from investments in real estate		2,361	1,602
Net income from investment in property lease		393	511
		9,355	9,867

7.1 Net income from financial investments

	Three month period ended 31 March 2018 (Reviewed) US\$'000	Three month period ended 31 March 2017 (Reviewed) US\$'000
Income from investments carried at fair value through income statement, net	5,328	6,534
Income from investments carried at fair value through equity	302	-
Income from investments carried at amortized cost	971	1,180
Net gain from derivative financial instruments	-	40
	6,601	7,754

8 IMPAIRMENT AND CREDIT LOSSES, NET

	Three month period ended 31 March 2018 (Reviewed) US\$'000	Three month period ended 31 March 2017 (Reviewed) (Restated) US\$'000
Financing assets	126	127
Investment securities	851	(28)
Other financial assets	(250)	-
	727	99

9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following balances with original maturity less than 90 days.

	31 March 2018 (Reviewed) US\$'000	31 March 2017 (Reviewed) US\$'000
Cash and bank balances	19,748	19,880
Short-term placements (original maturity of less than three months)	69,385	82,418
	89,133	102,298

10 OTHER RESERVES

10.1 Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

10.2 Fair value reserve

The investments fair value reserve includes the cumulative net change in the fair value of fair value through equity investments, excluding impairment losses, until the investment is derecognized. This also includes the Bank's share of the fair value changes on fair value through equity investments of an associate.

10.3 Hedging reserve

The hedging reserves are used to record gains or losses on derivatives that are designated and qualify as net investment in foreign operations hedges and cash flow hedges that are recognised in the reserves. Amounts are reclassified to income statement when the associated hedged transaction affects income statement.

10.4 Share based payment reserve

The share based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

11 CONTINGENT LIABILITIES, COMMITMENTS AND PROVISIONS

	31 March 2018 (Reviewed) US\$'000	31 December 2017 (Audited) US\$'000
Investment commitments	96,089	82,934
Forward foreign exchange contracts	342,525	323,776
Cross currency / Profit rate swaps	45,352	45,352
Other contingent liabilities	31,501	30,173
Operating lease commitments	1,197	1,995
Unutilised financing commitments	8,843	10,997

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

As at and for the three month period ended 31 March 2018

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12 RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include entities over which the Group exercises significant influence, major shareholders, directors and key management personnel of the Group.

The following table provides the total amount of transactions that have been entered into with related parties during the three month period ended 31 March 2018 and 2017, as well as balances with related parties as at 31 March 2018 and 31 December 2017:

	31 March 2018 (Reviewed) US\$'000	31 December 2017 (Audited) US\$'000
Balance sheet items:		
<i>Assets:</i>		
Placements and bank balances with a significant shareholder and its subsidiaries	22,030	36,755
Other assets	55	121
Off balance sheet items:		
Forward foreign exchange contracts outstanding	233,000	121,248
Restricted investment accounts	15,815	19,170
	Three month period ended 31 March 2018 (Reviewed) US\$'000	Three month period ended 31 March 2017 (Reviewed) US\$'000
Income statement items:		
Financing income	(28)	26
Fee and commission income from transaction with the other related parties	750	27
Placements income	39	11

Key management personnel of the Group comprise the Board of Directors and key members of management having authority and responsibility for planning, controlling and directing the activities of the Group.

Transactions with key management personnel:

	Three month period ended 31 March 2018 (Reviewed) US\$'000	Three month period ended 31 March 2017 (Reviewed) US\$'000
Salaries and other benefits	901	845
Incentives	1,818	915
Employee share option plan	(729)	150
Post-employment benefits	132	54

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