



Interim Condensed Consolidated Financial Statements

31 March 2017

INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF QATAR NATIONAL BANK Q.P.S.C.

Introduction

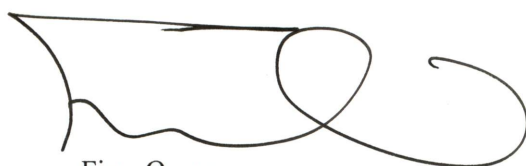
We have reviewed the accompanying interim condensed consolidated financial statements of Qatar National Bank Q.P.S.C. (the "Bank") and its subsidiaries (the "Group") as at 31 March 2017, comprising of the interim consolidated statement of financial position as at 31 March 2017 and the related interim consolidated statements of income and comprehensive income for the three month period ended 31 March 2017, the related interim consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the three-month period then ended, and the related explanatory notes. The Board of Directors are responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34 - Interim Financial Reporting ("IAS 34") and the applicable provisions of Qatar Central Bank regulations. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information 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 International Standards on Auditing 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 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 and the applicable provisions of Qatar Central Bank regulations.



Firas Qoussous
of Ernst & Young
Auditor's Registration No.236



Date: 11 April 2017
Doha

Qatar National Bank (Q.P.S.C.)
Interim Consolidated Statement of Financial Position
As at 31 March 2017

	Notes	31 March 2017 (Reviewed) QR000	31 March 2016 (Reviewed) QR000	31 December 2016 (Audited) QR000
ASSETS				
Cash and Balances with Central Banks		46,643,351	28,592,617	43,183,576
Due from Banks		53,002,369	21,713,695	45,721,215
Loans and Advances to Customers	3	535,770,785	401,885,406	520,417,231
Investment Securities	4	76,855,148	77,869,324	79,993,550
Investment in Associates		7,385,892	7,819,777	7,340,355
Property and Equipment		4,218,294	1,702,941	4,208,679
Intangible Assets		3,856,484	5,348,995	3,882,648
Other Assets		15,227,165	5,320,020	14,947,261
Total Assets		742,959,488	550,252,775	719,694,515
LIABILITIES				
Due to Banks		57,214,472	40,180,995	61,834,516
Customer Deposits		540,922,290	402,952,502	506,694,587
Debt Securities		23,314,140	16,346,021	28,825,874
Other Borrowings		22,321,302	14,788,863	23,728,887
Other Liabilities		28,159,674	15,514,374	27,757,233
Total Liabilities		671,931,878	489,782,755	648,841,097
EQUITY				
Issued Capital		9,236,429	8,396,753	8,396,753
Legal Reserve		25,326,037	24,486,361	24,486,361
Risk Reserve		7,000,000	5,000,000	7,000,000
Fair Value Reserve	5	102,613	(710,159)	24,456
Foreign Currency Translation Reserve		(11,864,917)	(2,915,928)	(11,604,928)
Other Reserves		652,732	1,205,451	608,600
Retained Earnings		29,633,163	24,059,927	31,112,008
Total Equity Attributable to Equity Holders of the Bank		60,086,057	59,522,405	60,023,250
Non - Controlling Interests		941,553	947,615	830,168
Instrument Eligible for Additional Tier 1 Capital		10,000,000	-	10,000,000
Total Equity		71,027,610	60,470,020	70,853,418
Total Liabilities and Equity		742,959,488	550,252,775	719,694,515

This interim condensed consolidated financial statements were approved by the Board of Directors on 11 April 2017 and were signed on its behalf by:


Ali Shareef Al-Emadi
Chairman


Ali Ahmed Al Kuwari
Group Chief Executive Officer

The attached notes 1 to 12 form an integral part of these interim condensed consolidated financial statements.

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Qatar National Bank (Q.P.S.C.)
Interim Consolidated Statement of Income
For the Three Months Period Ended 31 March 2017

	Three Months to 31 March 2017 (Reviewed) QR000	Three Months to 31 March 2016 (Reviewed) QR000
Interest Income	9,182,177	5,373,424
Interest Expense	(5,005,704)	(2,085,898)
Net Interest Income	4,176,473	3,287,526
Fees and Commission Income	993,447	608,469
Fees and Commission Expense	(129,302)	(69,947)
Net Fees and Commission Income	864,145	538,522
Foreign Exchange Gain	221,308	201,259
Income from Investment Securities	150,351	100,035
Other Operating Income	19,395	2,201
Operating Income	5,431,672	4,129,543
Staff Expenses	(821,084)	(538,889)
Depreciation	(117,267)	(61,154)
Other Expenses	(631,152)	(321,495)
Net Impairment Losses on Investment Securities	(1,365)	(13,893)
Net Impairment Losses on Loans and Advances to Customers	(398,934)	(20,117)
Amortization of Intangible Assets	(17,781)	(20,007)
Other Provisions	(16,116)	(19,270)
	(2,003,699)	(994,825)
Share of Results of Associates	4,779	(69,006)
Profit Before Income Tax	3,432,752	3,065,712
Income Tax Expense	(216,527)	(182,765)
Profit for the Period	3,216,225	2,882,947
Attributable to:		
Equity Holders of the Bank	3,204,206	2,865,049
Non - Controlling Interests	12,019	17,898
Profit for the Period	3,216,225	2,882,947
Earnings Per Share (QR) (Basic and Diluted)	3.5	3.1
Weighted Average Number of Shares	923,642,857	923,642,857

The attached notes 1 to 12 form an integral part of these interim condensed consolidated financial statements.

Qatar National Bank (Q.P.S.C.)
Interim Consolidated Statement of Comprehensive Income
For the Three Months Period Ended 31 March 2017

	Three Months to 31 March 2017 (Reviewed) QR000	Three Months to 31 March 2016 (Reviewed) QR000
Profit for the Period	3,216,225	2,882,947
<i>Other comprehensive income to be reclassified to income statement in subsequent periods:</i>		
Foreign Currency Translation Differences for Foreign Operations	(153,494)	(882,288)
Share of Other Comprehensive Income of Associates	44,165	(6,759)
Effective Portion of Changes in Fair Value of Cash Flow Hedges	113,303	(413,103)
Effective Portion of Changes in Fair Value of Net Investment in Foreign Operation	(118,068)	-
Available-for-Sale Investment Securities		
Net Change in Fair Value	201,957	(497,665)
Net Amount Transferred to Income Statement	(118,255)	(82,998)
Total Other Comprehensive Income for the Period, net of Income Tax	(30,392)	(1,882,813)
Total Comprehensive Income for the Period	3,185,833	1,000,134
Attributable to:		
Equity Holders of the Bank	3,066,506	982,236
Non - Controlling Interests	119,327	17,898
Total Comprehensive Income for the Period	3,185,833	1,000,134

The attached notes 1 to 12 form an integral part of these interim condensed consolidated financial statements.

Qatar National Bank (Q.P.S.C.)
Interim Consolidated Statement of Changes in Equity
For the Three Months Period Ended 31 March 2017

	Issued Capital	Legal Reserve	Risk Reserve	Fair Value Reserve	Foreign Currency Translation Reserve	Other Reserves	Retained Earnings	Equity Attributable to Equity Holders of the Bank	Non Controlling Interests	Instrument Eligible for Additional Tier 1 Capital	Total
	QR000	QR000	QR000	QR000	QR000	QR000	QR000	QR000	QR000	QR000	QR000
Balance at 1 January 2016	6,997,294	23,086,902	5,000,000	283,607	(2,033,640)	1,212,210	26,556,932	61,103,305	952,093	-	62,055,398
Total Comprehensive Income for the Period											
Profit for the Period	-	-	-	-	-	-	2,865,049	2,865,049	17,898	-	2,882,947
Other Comprehensive Income	-	-	-	(993,766)	(882,288)	(6,759)	-	(1,882,813)	-	-	(1,882,813)
Total Comprehensive Income for the Period	-	-	-	(993,766)	(882,288)	(6,759)	2,865,049	982,236	17,898	-	1,000,134
Transfer to Legal Reserve for the Year 2015	-	1,399,459	-	-	-	-	(1,399,459)	-	-	-	-
Transactions with Equity Holders, Recognised Directly in Equity											
Dividend for the Year 2015	-	-	-	-	-	-	(2,449,053)	(2,449,053)	-	-	(2,449,053)
Bonus Shares for the Year 2015	1,399,459	-	-	-	-	-	(1,399,459)	-	-	-	-
Net Movement in Non-controlling Interests	-	-	-	-	-	-	-	-	(22,376)	-	(22,376)
Other Movements	-	-	-	-	-	-	(114,083)	(114,083)	-	-	(114,083)
Total Transactions with Equity Holders, Recognised Directly in Equity	1,399,459	-	-	-	-	-	(3,962,595)	(2,563,136)	(22,376)	-	(2,585,512)
Balance at 31 March 2016	8,396,753	24,486,361	5,000,000	(710,159)	(2,915,928)	1,205,451	24,059,927	59,522,405	947,615	-	60,470,020
								-			
Balance at 1 January 2017	8,396,753	24,486,361	7,000,000	24,456	(11,604,928)	608,600	31,112,008	60,023,250	830,168	10,000,000	70,853,418
Total Comprehensive Income for the Period											
Profit for the Period	-	-	-	-	-	-	3,204,206	3,204,206	12,019	-	3,216,225
Other Comprehensive Income	-	-	-	78,157	(259,989)	44,132	-	(137,700)	107,308	-	(30,392)
Total Comprehensive Income for the Period	-	-	-	78,157	(259,989)	44,132	3,204,206	3,066,506	119,327	-	3,185,833
Transfer to Legal Reserve for the Year 2016	-	839,676	-	-	-	-	(839,676)	-	-	-	-
Transactions with Equity Holders, Recognised Directly in Equity											
Dividend for the Year 2016	-	-	-	-	-	-	(2,938,864)	(2,938,864)	-	-	(2,938,864)
Bonus Shares for the Year 2016	839,676	-	-	-	-	-	(839,676)	-	-	-	-
Issuance of Instrument Eligible for Additional Capital	-	-	-	-	-	-	-	-	-	-	-
Net Movement in Non-controlling Interests	-	-	-	-	-	-	-	-	(7,942)	-	(7,942)
Other Movements	-	-	-	-	-	-	(64,835)	(64,835)	-	-	(64,835)
Total Transactions with Equity Holders, Recognised Directly in Equity	839,676	-	-	-	-	-	(3,843,375)	(3,003,699)	(7,942)	-	(3,011,641)
Balance at 31 March 2017	9,236,429	25,326,037	7,000,000	102,613	(11,864,917)	652,732	29,633,163	60,086,057	941,553	10,000,000	71,027,610

The attached notes 1 to 12 form an integral part of these interim condensed consolidated financial statements.

Qatar National Bank (Q.P.S.C.)
Interim Condensed Consolidated Statement of Cash Flows
For the Three Months Period Ended 31 March 2017

	Note	Three Months to 31 March 2017 (Reviewed) QR000	Three Months to 31 March 2016 (Reviewed) QR000	Year to 31 December 2016 (Audited) QR000
Net Cash Flows from Operating Activities		15,999,754	6,957,424	21,245,846
Cash Flows from Investing Activities				
Acquisitions of Investment Securities		(13,085,311)	(14,725,855)	(63,962,428)
Proceeds from Sale / Redemption of Investment Securities		16,372,328	15,024,160	59,714,925
Acquisition of Subsidiary, net of Cash Acquired		-	-	(9,610,068)
Additions to Property and Equipment		(157,712)	(69,710)	(1,105,261)
Proceeds from Sale of Property and Equipment		40	36	596
Net Cash Flows from / (used in) Investing Activities		3,129,345	228,631	(14,962,236)
Cash Flows from Financing Activities				
Proceeds from Issuance of Instrument Eligible for Additional Tier 1 Capital		-	-	10,000,000
Proceeds from Issuance of Debt Securities		329,787	-	13,026,589
Repayment of Debt Securities		(5,640,367)	-	(5,228,893)
Proceeds from Issuance of Other Borrowings		216,260	244,407	10,998,695
Repayment of Other Borrowings		(1,552,876)	(582,581)	(4,033,225)
Dividends Paid		(2,921,135)	(2,435,240)	(2,468,978)
Net Cash Flows (used in) / from Financing Activities		(9,568,331)	(2,773,414)	22,294,188
Net Increase in Cash and Cash Equivalents		9,560,768	4,412,641	28,577,798
Effects of Exchange Rate Changes on Cash and Cash Equivalents		(109,024)	(2,318,067)	(5,764,365)
Cash and Cash Equivalents as at 1 January		52,864,047	30,050,614	30,050,614
Cash and Cash Equivalents at 31 March / 31 December	11	62,315,791	32,145,188	52,864,047

The attached notes 1 to 12 form an integral part of these interim condensed consolidated financial statements.

Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
For the Three Months Period Ended 31 March 2017

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The accompanying interim condensed consolidated financial statements are prepared in accordance with IAS 34 - "Interim Financial Reporting" and the applicable provisions of Qatar Central Bank Regulations. These interim condensed consolidated financial statements should be read in conjunction with the 2016 annual consolidated financial statements of the Group.

The interim condensed consolidated financial statements does not contain all information and disclosures required for full consolidated financial statements prepared in accordance with International Financial Reporting Standards. In addition, results for the three months period ended 31 March 2017 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2017.

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2016.

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2016.

The following amendments to standards have been applied by the Group in preparation of these interim condensed consolidated financial statements. The amendments to the below standards did not have any material impact to the Group, but they may result in additional disclosures at year end:

Amendments to Standards

Amendments to IAS 12 – Recognition of Deferred Tax Assets for Unrealised Losses (Effective 1 January 2017)

Amendments to IAS 7 - Disclosure Initiative (Effective 1 January 2017)

The adoption of the above did not result in any changes to previously reported net profit or equity of the Group.

Standards Issued but not yet Effective

The below mentioned standards, interpretations and amendments to standards are not yet effective.

The Group is currently evaluating the impact of these new standards. The Group will adopt these new standards on the respective effective dates.

IFRS 9 Financial Instruments (Effective 1 January 2018).

IFRS 15 Revenue from Contracts with Customers (Effective 1 January 2018).

IFRS 16 Leases (Effective 1 January 2019)

The final version of IFRS 9 was issued in July 2014, replacing the earlier versions of introducing new classification and measurement requirements (issued in 2009 and 2010) and a new hedge accounting model (issued in 2013) and has an effective date of 1 January 2018. IFRS 9 will replace IAS 39 Financial Instruments: Recognition and Measurement and introduces new requirements for the classification and measurement of financial assets and financial liabilities, a new model based on expected credit losses for recognising loan loss provisions and provides for simplified hedge accounting by aligning hedge accounting more closely with an entity's risk management methodology.

The application of IFRS 9 may have impact on amounts reported in the interim condensed consolidated financial statements and may result in additional disclosures in the interim condensed consolidated financial statements. However, the Group is currently in the process of evaluating and implementing the required changes in its systems, policies and processes to comply with IFRS 9 and regulatory requirements, and hence it is not practical to disclose a reliable quantitative impact until the implementation is finalized.

Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
For the Three Months Period Ended 31 March 2017

2. SEGMENT INFORMATION

The Group is organised into four main operating segments. The results of each of the operating segments which are being monitored regularly by the Chief Operating Decision Maker, are stated below:

	Qatar Operations					
	Corporate Banking	Consumer Banking	Asset and Wealth Management	International Banking	Unallocated and Intra-group Transactions	Total
	QR000	QR000	QR000	QR000	QR000	QR000
At 31 March 2017:						
External Revenue:						
Net Interest Income	1,840,077	122,016	135,649	2,061,564	17,167	4,176,473
Net Fees and Commission Income	133,226	53,683	101,695	576,043	(502)	864,145
Foreign Exchange Gain	90,655	19,325	13,331	96,064	1,933	221,308
Income from Investment Securities	127,236	-	-	23,115	-	150,351
Other Operating Income	21	1	6	19,367	-	19,395
Share of Results of Associates	-	-	-	4,779	-	4,779
Total Segment Revenue	2,191,215	195,025	250,681	2,780,932	18,598	5,436,451
Reportable Segment Profit	2,020,031	24,817	23,183	1,196,566	(60,391)	3,204,206
Reportable Segment Investments	44,387,357	-	4,688	32,463,103	-	76,855,148
Reportable Segment Loans and Advances	338,564,667	9,745,188	17,186,471	170,274,459	-	535,770,785
Reportable Segment Customer Deposits	209,426,348	25,264,265	48,145,755	258,085,922	-	540,922,290
Reportable Segment Assets	469,646,485	25,769,904	47,787,692	401,285,689	(201,530,282)	742,959,488
At 31 March 2016:						
External Revenue:						
Net Interest Income	1,944,186	110,579	123,651	1,098,778	10,332	3,287,526
Net Fees and Commission Income	156,068	44,431	85,635	248,884	3,504	538,522
Foreign Exchange Gain	76,460	21,035	43,433	55,415	4,916	201,259
Income from Investment Securities	95,128	-	-	4,907	-	100,035
Other Operating Income	210	2	-	1,987	2	2,201
Share of Results of Associates	-	-	-	(69,006)	-	(69,006)
Total Segment Revenue	2,272,052	176,047	252,719	1,340,965	18,754	4,060,537
Reportable Segment Profit	1,860,716	38,411	125,814	892,998	(52,890)	2,865,049
Reportable Segment Investments	49,934,955	-	23,500	27,910,869	-	77,869,324
Reportable Segment Loans and Advances	272,209,065	9,779,405	19,317,761	100,579,175	-	401,885,406
Reportable Segment Customer Deposits	175,839,560	23,882,404	46,215,807	157,014,731	-	402,952,502
Reportable Segment Assets	365,193,718	24,768,982	47,354,676	253,812,153	(140,876,754)	550,252,775

Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
For the Three Months Period Ended 31 March 2017

3. LOANS AND ADVANCES TO CUSTOMERS

	31 March 2017 (Reviewed) QR000	31 March 2016 (Reviewed) QR000	31 December 2016 (Audited) QR000
Loans and Advances to Customers	546,946,867	408,998,242	531,292,529
Deferred Profit	(119,167)	(103,998)	(91,430)
Allowance for Impairment of Loans and Advances to Customers	(11,056,915)	(7,008,838)	(10,783,868)
Net Loans and Advances	<u>535,770,785</u>	<u>401,885,406</u>	<u>520,417,231</u>

The aggregate amount of non performing loans and advances to customers amounted to QR9,684 million or 1.8% of total loans and advances (31 December 2016: QR9,465 million or 1.8% of total loans and advances to customers).

Net Loans and Advances includes QR18.5 million designated as fair value through profit or loss (FVTPL) (31 December 2016: QR23.6 million).

4. INVESTMENT SECURITIES

	31 March 2017 (Reviewed) QR000	31 March 2016 (Reviewed) QR000	31 December 2016 (Audited) QR000
Held for Trading Investment Securities	158,277	-	60,324
Available-for-Sale Investment Securities	39,695,354	42,364,934	36,860,490
Held to Maturity Investment Securities	37,001,517	35,504,390	43,072,736
Total	<u>76,855,148</u>	<u>77,869,324</u>	<u>79,993,550</u>

The above includes impairment allowance in respect of debt securities amounting to QR69.8 million (31 December 2016: QR60.2 million).

5. FAIR VALUE RESERVE

	31 March 2017 (Reviewed) QR000	31 March 2016 (Reviewed) QR000	31 December 2016 (Audited) QR000
Cash Flow Hedges	(408,131)	(909,638)	(521,444)
Available-for-Sale Investment Securities	46,882	199,479	(36,030)
Hedges of a Net Investment	463,862	-	581,930
Total	<u>102,613</u>	<u>(710,159)</u>	<u>24,456</u>

6. DIVIDEND

The cash dividend in respect of the year ended 31 December 2016 of QR3.5 per share, amounting to a total of QR2,939 million and a bonus share of 10% of the share capital amounting to QR839.7 million, were approved by the shareholders at the annual general assembly meeting on 5 February 2017.

Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
For the Three Months Period Ended 31 March 2017

7. CONTINGENT LIABILITIES AND OTHER COMMITMENTS

	31 March 2017 (Reviewed) QR000	31 March 2016 (Reviewed) QR000	31 December 2016 (Audited) QR000
Contingent Liabilities			
Unused Facilities	104,416,681	54,336,853	105,786,136
Guarantees	65,424,621	46,919,796	64,719,723
Letters of Credit	36,578,991	10,814,396	34,068,287
Others	23,443,283	27,180,737	18,127,743
Total	229,863,576	139,251,782	222,701,889
Other Commitments			
Derivative Financial Instruments	331,571,473	111,331,801	290,911,800
Others	13,825,810	13,833,960	13,897,029
Total	345,397,283	125,165,761	304,808,829

8. RELATED PARTY DISCLOSURES

The Group has transactions in the ordinary course of business with directors, officers of the Group and entities of which they have significant influence and control. As at the reporting date, such significant items included:

	31 March 2017 (Reviewed) QR000	31 March 2016 (Reviewed) QR000	31 December 2016 (Audited) QR000
Statement of Financial Position Items			
Loans and Advances	2,967,326	1,778,520	1,945,372
Deposits	667,461	559,381	286,328
Contingent Liabilities and Other Commitments	82,822	38,416	65,246
Statement of Income Items			
Interest and Commission Income	21,250	10,140	57,589
Interest and Commission Expense	353	1,236	3,973
Associates			
Due from banks	1,074,780	734,935	197,162
Interest and Commission Income	2,567	3,934	6,991
Due to banks	374,973	904,589	524,740
Interest and Commission Expense	756	965	2,559
Compensation of key management personnel is as follows:			
Salaries and Other Benefits	27,362	28,813	41,296
End of Service Indemnity	268	261	932

The Group also has significant commercial transactions with the State of Qatar, which owns 50% of the Bank's outstanding shares through Qatar Investment Authority, amounting to QR117,024 million included in loans and advances (31 December 2016: QR105,665 million) and QR15,262 million included in customer deposits (31 December 2016: QR13,219 million).

9. CAPITAL ADEQUACY

	31 March 2017 (Reviewed) QR000	31 March 2016 (Reviewed) QR000	31 December 2016 (Audited) QR000
Common Equity Tier 1 (CET 1) Capital	52,265,062	51,245,670	52,712,890
Eligible Additional Tier 1 (AT1) Capital Instruments	10,000,000	-	10,000,000
Additional Tier 1 Capital	64,585	40,231	69,093
Additional Tier 2 Capital	63,962	33,457	68,637
Total Eligible Capital	62,393,609	51,319,358	62,850,620
Risk Weighted Assets	397,448,921	323,902,300	393,899,971
Total Capital Ratio	15.7%	15.8%	16.0%

The Bank has followed Basel III Capital Adequacy Ratio (CAR) with effect from 1 January 2014 in accordance with Qatar Central Bank regulations. The minimum accepted Capital Adequacy Ratio under Basel III as per Qatar Central Bank Requirements are as follows:

Minimum limit without Capital Conservation buffer is 10%.

Minimum limit including Capital Conservation buffer, iCAAP buffer and the applicable Domestically Systemically Important Bank ("DSIB") buffer for 2017 is 14.8%.

Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
For the Three Months Period Ended 31 March 2017

10. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Level 1	Level 2	Level 3	Total
	QR000	QR000	QR000	QR000
At 31 March 2017:				
Derivative Assets Held for Risk Management	1,737	6,213,708	-	6,215,445
Loans and Advances to Customers designated at FVTPL	-	18,477	-	18,477
Investment Securities	28,906,209	10,756,265	-	39,662,474
	28,907,946	16,988,450	-	45,896,396
Derivative Liabilities Held for Risk Management	1,578	3,728,852	-	3,730,430
	1,578	3,728,852	-	3,730,430
At 31 December 2016:				
Derivative Assets Held for Risk Management	3,900	6,848,267	-	6,852,167
Loans and Advances to Customers designated at FVTPL	-	23,558	-	23,558
Investment Securities	25,287,123	11,453,003	-	36,740,126
	25,291,023	18,324,828	-	43,615,851
Derivative Liabilities Held for Risk Management	518	4,198,464	-	4,198,982
	518	4,198,464	-	4,198,982

The above table does not include QR191.2 million (31 December 2016: QR180.7 million) of available-for-sale equity investments that were measured at cost.

There have been no transfers between Level 1 and Level 2 (31 December 2016: Nil).

11. CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following balances:

	31 March	31 March	31 December
	2017	2016	2016
	(Reviewed)	(Reviewed)	(Audited)
	QR000	QR000	QR000
Cash and Balances with Central Banks	15,355,550	16,747,098	13,816,989
Due from Banks Maturing in Three months	46,960,241	15,398,090	39,047,058
Total	62,315,791	32,145,188	52,864,047

Cash and Balances with Central Banks do not include mandatory reserve deposits.

12. COMPARATIVE FIGURES

Certain prior year amounts have been reclassified in order to conform with the current period presentation.