



Interim Condensed Consolidated Financial Statements

31 March 2019



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Independent auditor's 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 31 March 2019 interim condensed consolidated financial statements of Qatar National Bank (Q.P.S.C.) (the 'Bank') and its subsidiaries (together the 'Group'), which comprise:

- the interim consolidated statement of financial position as at 31 March 2019;
- the interim consolidated statement of income for the three month period ended 31 March 2019;
- the interim consolidated statement of comprehensive income for the three month period ended 31 March 2019;
- the interim consolidated statement of changes in equity for the three month period ended 31 March 2019;
- the interim condensed consolidated statement of cash flows for the three month period ended 31 March 2019; and
- notes to the interim condensed consolidated financial statements.

The Board of Directors of the Bank is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, 'Interim Financial Reporting' ('IAS 34') and applicable provisions of the 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 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 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 31 March 2019 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 and applicable provisions of the Qatar Central Bank regulations.

9 April 2019
Doha
State of Qatar



Gopal Balasubramaniam
KPMG
Qatar Auditor's Registry Number 251
Licensed by QFMA: External
Auditor's License No. 120153

Qatar National Bank (Q.P.S.C.)
Interim Consolidated Statement of Financial Position
As at 31 March 2019

	Notes	31 March 2019 (Reviewed) QR000	31 March 2018 (Reviewed) QR000	31 December 2018 (Audited) QR000
ASSETS				
Cash and Balances with Central Banks		67,364,771	56,106,075	64,691,667
Due from Banks		70,153,474	49,479,495	61,109,094
Loans and Advances to Customers	3	623,209,770	596,340,588	612,506,697
Investment Securities	4	83,589,080	96,191,988	86,452,000
Investment in Associates		7,566,923	7,520,744	7,682,698
Property and Equipment		5,180,283	4,561,015	4,697,205
Intangible Assets		3,916,204	3,824,639	3,880,970
Other Assets		21,042,286	18,132,993	21,177,268
Total Assets		882,022,791	832,157,537	862,197,599
LIABILITIES				
Due to Banks		74,294,079	75,495,814	73,129,644
Customer Deposits		633,967,748	604,037,051	616,765,505
Debt Securities		31,174,441	27,475,817	25,937,908
Other Borrowings		24,787,321	26,049,382	25,037,701
Other Liabilities		32,260,048	28,124,319	33,052,120
Total Liabilities		796,483,637	761,182,383	773,922,878
EQUITY				
Issued Capital		9,236,429	9,236,429	9,236,429
Legal Reserve		25,326,037	25,326,037	25,326,037
Risk Reserve		8,000,000	7,500,000	8,000,000
Fair Value Reserve	5	(934,934)	(1,394,200)	(973,557)
Foreign Currency Translation Reserve		(16,587,821)	(13,289,324)	(16,209,852)
Other Reserves		456,697	656,417	683,722
Retained Earnings		39,011,621	32,069,568	41,206,855
Total Equity Attributable to Equity Holders of the Bank		64,508,029	60,104,927	67,269,634
Non - Controlling Interests		1,031,125	870,227	1,005,087
Instruments Eligible for Additional Tier 1 Capital		20,000,000	10,000,000	20,000,000
Total Equity		85,539,154	70,975,154	88,274,721
Total Liabilities and Equity		882,022,791	832,157,537	862,197,599

These interim condensed consolidated financial statements were approved by the Board of Directors on 9 April 2019 and were signed on its behalf by:


Ali Shareef Al-Emadi
Chairman


Abdulla Mubarak Al-Khalifa
Acting Group Chief Executive Officer

The attached notes 1 to 13 form an integral part of these interim condensed consolidated financial statements.



Qatar National Bank (Q.P.S.C.)
Interim Consolidated Statement of Income
For the Three Months Period Ended 31 March 2019

	Three Months to 31 March 2019 (Reviewed) QR000	Three Months to 31 March 2018 (Reviewed) QR000
Interest Income	13,735,239	11,911,043
Interest Expense	(8,916,568)	(7,245,960)
Net Interest Income	4,818,671	4,665,083
Fees and Commission Income	1,177,457	1,201,892
Fees and Commission Expense	(259,562)	(228,558)
Net Fees and Commission Income	917,895	973,334
Net Foreign Exchange Gain	319,999	260,298
Income from Investment Securities	35,786	39,146
Other Operating Income	15,571	20,556
Operating Income	6,107,922	5,958,417
Staff Expenses	(856,255)	(882,782)
Depreciation	(173,861)	(121,908)
Other Expenses	(581,443)	(684,686)
Net Impairment Losses on Loans and Advances to Customers	(700,869)	(599,108)
Net Impairment Recoveries / (Losses) on Investment Securities	21,556	(4,825)
Net Impairment Losses on Other Financial Instruments	(45,347)	(20,875)
Amortisation of Intangible Assets	(17,777)	(17,184)
Other Reversals / (Provisions)	7,955	(11,747)
	(2,346,041)	(2,343,115)
Share of Results of Associates	113,583	113,447
Profit Before Income Tax	3,875,464	3,728,749
Income Tax Expense	(277,639)	(281,317)
Profit for the Period	3,597,825	3,447,432
Attributable to:		
Equity Holders of the Bank	3,568,427	3,431,047
Non - Controlling Interests	29,398	16,385
Profit for the Period	3,597,825	3,447,432
Earnings Per Share (QR) (Basic and Diluted)	3.6	3.6
Weighted Average Number of Shares	923,642,857	923,642,857

The attached notes 1 to 13 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 2019

	Three Months to 31 March 2019 (Reviewed) QR000	Three Months to 31 March 2018 (Reviewed) QR000
Profit for the Period	3,597,825	3,447,432
<i>Other Comprehensive Income to be Reclassified to Consolidated Income Statement in Subsequent Periods:</i>		
Foreign Currency Translation Differences for Foreign Operations	(366,320)	(950,032)
Share of Other Comprehensive Income of Associates	(226,964)	(176,086)
Effective Portion of Changes in Fair Value of Cash Flow Hedges	(145,474)	54,017
Effective Portion of Changes in Fair Value of Net Investment in Foreign Operation	190,328	(367,857)
Investments in Debt Instruments Measured at FVOCI		
Net Change in Fair Value	(74,330)	(108,902)
Net Amount Transferred to Income Statement	(1,680)	(5,127)
<i>Items that will not be Reclassified to Consolidated Income Statement</i>		
Net Change in Fair Value of Investments in Equity Instruments Designated at FVOCI	73,085	84,479
Total Other Comprehensive Income for the Period, net of Income Tax	(551,355)	(1,469,508)
Total Comprehensive Income for the Period	3,046,470	1,977,924
Attributable to:		
Equity Holders of the Bank	3,006,833	2,009,655
Non - Controlling Interests	39,637	(31,731)
Total Comprehensive Income for the Period	3,046,470	1,977,924

The attached notes 1 to 13 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 2019

	Equity Attributable to Equity Holders of the Bank							Non Controlling Interests	Instruments Eligible for Additional Tier 1 Capital	Total
	Issued Capital	Legal Reserve	Risk Reserve	Fair Value Reserve	Foreign Currency Translation Reserve	Other Reserves	Retained Earnings			
	QR000	QR000	QR000	QR000	QR000	QR000	QR000			
Balance at 1 January 2018	9,236,429	25,326,037	7,500,000	(1,169,875)	(12,369,012)	832,429	38,397,772	67,753,780	992,560	78,746,340
Impact of Adopting IFRS 9, net of tax	-	-	-	120,537	-	-	(4,059,280)	(3,938,743)	(23,396)	(3,962,139)
Restated Balance at 1 January 2018	9,236,429	25,326,037	7,500,000	(1,049,338)	(12,369,012)	832,429	34,338,492	63,815,037	969,164	74,784,201
Total Comprehensive Income for the Period										
Profit for the Period	-	-	-	-	-	-	3,431,047	3,431,047	16,385	3,447,432
Other Comprehensive Income	-	-	-	(344,862)	(900,518)	(176,012)	-	(1,421,392)	(48,116)	(1,469,508)
Total Comprehensive Income for the Period	-	-	-	(344,862)	(900,518)	(176,012)	3,431,047	2,009,655	(31,731)	1,977,924
Transactions Recognised Directly in Equity										
Dividend for the Year 2017	-	-	-	-	-	-	(5,541,857)	(5,541,857)	-	(5,541,857)
Net Movement in Non-controlling Interests	-	-	-	-	(19,794)	-	54,353	34,559	(67,206)	(32,647)
Other Movements	-	-	-	-	-	-	(212,467)	(212,467)	-	(212,467)
Total Transactions Recognised Directly in Equity	-	-	-	-	(19,794)	-	(5,699,971)	(5,719,765)	(67,206)	(5,786,971)
Balance at 31 March 2018	9,236,429	25,326,037	7,500,000	(1,394,200)	(13,289,324)	656,417	32,069,568	60,104,927	870,227	70,975,154
								-		
Balance at 1 January 2019	9,236,429	25,326,037	8,000,000	(973,557)	(16,209,852)	683,722	41,206,855	67,269,634	1,005,087	88,274,721
Total Comprehensive Income for the Period										
Profit for the Period	-	-	-	-	-	-	3,568,427	3,568,427	29,398	3,597,825
Other Comprehensive Income	-	-	-	38,623	(373,192)	(227,025)	-	(561,594)	10,239	(551,355)
Total Comprehensive Income for the Period	-	-	-	38,623	(373,192)	(227,025)	3,568,427	3,006,833	39,637	3,046,470
Transactions with Equity Holders, Recognised Directly in Equity										
Dividend for the Year 2018	-	-	-	-	-	-	(5,541,857)	(5,541,857)	-	(5,541,857)
Reclassification of Net Change in Fair Value of Equity Instruments upon derecognition	-	-	-	-	-	-	582	582	-	582
Net Movement in Non-controlling Interests	-	-	-	-	(4,777)	-	7,285	2,508	(2,508)	-
Other Movements	-	-	-	-	-	-	(229,671)	(229,671)	(11,091)	(240,762)
Total Transactions Recognised Directly in Equity	-	-	-	-	(4,777)	-	(5,763,661)	(5,768,438)	(13,599)	(5,782,037)
Balance at 31 March 2019	9,236,429	25,326,037	8,000,000	(934,934)	(16,587,821)	456,697	39,011,621	64,508,029	1,031,125	85,539,154

The attached notes 1 to 13 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 2019

	Note	Three Months to 31 March 2019 (Reviewed) QR000	Three Months to 31 March 2018 (Reviewed) QR000	Year to 31 December 2018 (Audited) QR000
Net Cash Flows from Operating Activities		9,641,376	21,135,963	21,371,487
Cash Flows from Investing Activities				
Acquisitions of Investment Securities		(15,638,865)	(18,431,343)	(65,880,410)
Proceeds from Sale / Redemption of Investment Securities		17,931,151	19,225,509	75,013,056
Additions to Property and Equipment		(83,356)	(202,957)	(1,221,108)
Proceeds from Sale of Property and Equipment		683	1,004	11,722
Net Cash Flows from Investing Activities		2,209,613	592,213	7,923,260
Cash Flows from Financing Activities				
Issuance of Instrument Eligible for Additional Capital		-	-	10,000,000
Payment of Coupon on Instruments Eligible for Additional Capital		(532,500)	-	(450,000)
Proceeds from Issuance of Debt Securities		5,588,636	4,566,216	11,591,005
Repayment of Debt Securities		(213,943)	(3,534,361)	(10,418,447)
Proceeds from Issuance of Other Borrowings		9,336,762	16,173,972	15,260,224
Repayment of Other Borrowings		(9,387,007)	(14,087,923)	(13,528,893)
Dividends Paid		(5,502,335)	(5,489,946)	(5,546,000)
Net Cash (used in) / from Financing Activities		(710,387)	(2,372,042)	6,907,889
Net Increase in Cash and Cash Equivalents		11,140,602	19,356,134	36,202,636
Effects of Exchange Rate Changes on Cash and Cash Equivalents		(225,699)	(898,350)	(1,880,649)
Cash and Cash Equivalents as at 1 January		91,811,862	57,489,875	57,489,875
Cash and Cash Equivalents at 31 March / 31 December	11	102,726,765	75,947,659	91,811,862

The attached notes 1 to 13 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 2019

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 2018 annual consolidated financial statements of the Group, except for the effects of adoption of IFRS 16 as described below.

The interim condensed consolidated financial statements do not contain all information and disclosures required for full consolidated financial statements prepared in accordance with International Financial Reporting Standards and the applicable provisions of QCB regulations. In addition, results for the three months period ended 31 March 2019 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2019.

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 2018.

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 2018.

The following standard has been applied by the Group in preparation of these interim condensed consolidated financial statements. The adoption of the below standard did not result in changes to previously reported net profit or equity of the Group.

IFRS 16 Leases (Effective 1 January 2019)

IFRS 16 was issued in January 2016. It has resulted in almost all leases being recognised on the balance sheet by lessee, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The Group has applied the standard from its mandatory adoption date of 1 January 2019. The Group has applied the simplified transition approach and has not restated comparative amounts, prior to the date of adoption of the standard. As allowed under IFRS 16, right-of-use assets are measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

Further the Group has used the following practical expedients on initial application:

- used the Group's previous assessment of which existing contracts are, or contain, lease;
- where the unexpired lease term on initial application date is less than 12 months or leases are of low value items (USD10,000 or less), then the Group has elected to use the short-term lease exemption; and
- exclude initial direct costs from the measurement of right-of-use asset at the date of initial application.

The Group's activities as a lessor are not material and hence the Group does not have any significant impact on the financial statements.

When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate at 1 January 2019. The weighted average rate applied in the Group's principal markets was based on benchmark yield rates.

The following amounts are recognised under the new standard and included in the respective headings of the interim consolidated statement of financial position and interim consolidated statement of income:

	31 March 2019 (Reviewed) QR000	1 January 2019 (Reviewed) QR000
Right-of-use asset	622,383	695,750
Lease liability	591,808	645,188
Lease commitments for short-term leases and low-value assets	32,093	32,952
		Three Months to 31 March 2019 (Reviewed) QR000
Depreciation charge for right-of-use assets		65,012
Interest expense on lease liabilities		15,452
Expense relating to short-term leases and leases of low-value assets		12,097
Total cash outflow for leases		68,173

Standards Issued but not yet Effective

IFRS 17 Insurance Contracts is effective on 1 January 2021. The Group is currently evaluating the impact of this new standard. The Group will adopt this new standard on the effective date.

Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
For the Three Months Period Ended 31 March 2019

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 2019:						
External Revenue:						
Net Interest Income	2,035,952	144,056	167,787	2,450,056	20,820	4,818,671
Net Fees and Commission Income	146,367	60,581	69,559	642,611	(1,223)	917,895
Net Foreign Exchange Gain	176,056	34,362	29,318	78,895	1,368	319,999
Income from Investment Securities	27,037	-	-	8,749	-	35,786
Other Operating Income	2	2	-	14,066	1,501	15,571
Share of Results of Associates	101,092	-	-	12,491	-	113,583
Total Segment Revenue	2,486,506	239,001	266,664	3,206,868	22,466	6,221,505
Reportable Segment Profit	2,081,421	99,676	285,144	1,293,611	(191,425)	3,568,427
Reportable Segment Investments	46,811,831	-	13,349	36,763,900	-	83,589,080
Reportable Segment Loans and Advances	411,975,667	10,926,319	25,113,724	175,194,060	-	623,209,770
Reportable Segment Customer Deposits	277,282,491	26,831,444	53,407,238	276,446,575	-	633,967,748
Reportable Segment Assets	599,793,569	27,838,545	54,955,435	423,281,154	(223,845,912)	882,022,791
At 31 March 2018:						
External Revenue:						
Net Interest Income	1,913,039	130,523	154,625	2,444,193	22,703	4,665,083
Net Fees and Commission Income	156,395	59,101	94,857	665,206	(2,225)	973,334
Net Foreign Exchange Gain	172,414	28,212	15,727	42,931	1,014	260,298
Income from Investment Securities	28,565	-	-	10,581	-	39,146
Other Operating Income	46	1	257	20,252	-	20,556
Share of Results of Associates	103,220	-	-	10,227	-	113,447
Total Segment Revenue	2,373,679	217,837	265,466	3,193,390	21,492	6,071,864
Reportable Segment Profit	2,003,933	26,717	180,173	1,285,876	(65,652)	3,431,047
Reportable Segment Investments	59,616,000	-	14,179	36,561,809	-	96,191,988
Reportable Segment Loans and Advances	375,230,184	9,671,583	22,149,218	189,289,603	-	596,340,588
Reportable Segment Customer Deposits	254,827,055	24,745,962	53,200,028	271,264,006	-	604,037,051
Reportable Segment Assets	534,381,238	25,738,515	54,747,063	424,220,686	(206,929,965)	832,157,537

Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
For the Three Months Period Ended 31 March 2019

3. LOANS AND ADVANCES TO CUSTOMERS

	31 March 2019 (Reviewed) QR000	31 March 2018 (Reviewed) QR000	31 December 2018 (Audited) QR000
Loans and Advances to Customers	639,587,990	612,753,616	628,666,997
Deferred Profit	(14,816)	(20,410)	(17,570)
Expected credit losses - Performing loans and advances - Stage 1 and 2	(3,435,370)	(4,376,507)	(3,453,286)
Impairment on non-performing loans and advances to customers - Stage 3	(12,928,034)	(12,016,111)	(12,689,444)
Net Loans and Advances	623,209,770	596,340,588	612,506,697

The aggregate amount of non performing loans and advances to customers amounted to QR12,159 million or 1.9% of total loans and advances (31 December 2018: QR12,188 million or 1.9% of total loans and advances to customers).

4. INVESTMENT SECURITIES

	31 March 2019 (Reviewed) QR000	31 March 2018 (Reviewed) QR000	31 December 2018 (Audited) QR000
Investment Securities at Fair Value Through Profit or Loss (FVPL)	70,347	119,182	63,651
Investment Securities at Fair Value Through Other Comprehensive Income (FVOCI)	31,891,474	39,239,724	31,487,720
Investment Securities at Amortised Cost (AC), net	51,627,259	56,833,082	54,900,629
Total	83,589,080	96,191,988	86,452,000

The above includes impairment allowance in respect of debt securities amounting to QR138.7 million (31 December 2018: QR162.6 million).

5. FAIR VALUE RESERVE

	31 March 2019 (Reviewed) QR000	31 March 2018 (Reviewed) QR000	31 December 2018 (Audited) QR000
Cash Flow Hedges	(521,803)	(128,867)	(376,317)
FVOCI*	(300,276)	(115,463)	(294,057)
Hedges of a Net Investment in Foreign Operations	(112,855)	(1,149,870)	(303,183)
Total	(934,934)	(1,394,200)	(973,557)

*This include the loss allowance amounting to QR6.9 million (31 December 2018: QR19.0 million) in respect of Debt Instruments measured at FVOCI.

6. DIVIDEND

The cash dividend in respect of the year ended 31 December 2018 of QR6.0 per share, amounting to a total of QR5,542 million, was approved by the shareholders at the Annual General Assembly meeting on 10 February 2019.

7. CONTINGENT LIABILITIES AND OTHER COMMITMENTS

	31 March 2019 (Reviewed) QR000	31 March 2018 (Reviewed) QR000	31 December 2018 (Audited) QR000
Contingent Liabilities			
Unused Facilities	103,126,908	129,180,070	106,459,940
Guarantees	59,850,401	64,263,702	62,525,170
Letters of Credit	30,386,591	30,730,171	24,986,784
Others	17,583,305	23,162,841	18,321,994
Total	210,947,205	247,336,784	212,293,888

Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
For the Three Months Period Ended 31 March 2019

8. RELATED PARTY DISCLOSURES

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

	31 March 2019 (Reviewed) QR000	31 March 2018 (Reviewed) QR000	31 December 2018 (Audited) QR000
Statement of Financial Position Items			
Loans and Advances to Customers	2,559,553	3,529,994	3,028,379
Customer Deposits	443,933	515,071	431,693
Contingent Liabilities and Other Commitments	77,365	78,172	84,541
Statement of Income Items			
Interest and Commission Income	33,622	29,685	141,972
Interest and Commission Expense	2,577	1,101	4,907
Associates			
Due from banks	1,591,383	766,091	1,179,715
Interest and Commission Income	15,490	182	56,205
Due to banks	222,864	272,927	183,664
Interest and Commission Expense	966	812	2,346
Compensation of key management personnel is as follows:			
Salaries and Other Benefits	24,071	32,248	46,054
End of Service Indemnity Benefits	282	315	1,135

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 QR124,023 million included in loans and advances (31 December 2018: QR126,368 million) and QR19,044 million included in customer deposits (31 December 2018: QR12,212 million).

9. CAPITAL ADEQUACY

	31 March 2019 (Reviewed) QR000	31 March 2018 (Reviewed) QR000	31 December 2018 (Audited) QR000
Common Equity Tier 1 (CET 1) Capital	55,596,043	52,447,907	56,373,490
Eligible Additional Tier 1 (AT 1) Capital Instruments	20,000,000	10,000,000	20,000,000
Additional Tier 1 Capital	84,452	84,935	90,609
Additional Tier 2 Capital	3,843,524	4,966,831	3,839,001
Total Eligible Capital	79,524,019	67,499,673	80,303,100
Risk Weighted Assets	429,310,720	421,483,626	422,003,410
Total Capital Ratio	18.5%	16.0%	19.0%

The Group follows Basel III Capital Adequacy Ratio (CAR) calculation with effect from 1 January 2014 in accordance with Qatar Central Bank (QCB) regulations. The minimum accepted total Capital Adequacy Ratio requirements under Basel III as per QCB Requirements is 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 2019 is 16.0%.

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 QR000	Level 2 QR000	Level 3 QR000	Total QR000
At 31 March 2019:				
Derivative Assets Held for Risk Management	7,390	8,049,522	-	8,056,912
Investment Securities	30,707,200	1,254,621	-	31,961,821
	30,714,590	9,304,143	-	40,018,733
Derivative Liabilities Held for Risk Management	6,080	4,848,599	-	4,854,679
	6,080	4,848,599	-	4,854,679
At 31 December 2018:				
Derivative Assets Held for Risk Management	1,856	9,248,712	-	9,250,568
Investment Securities	28,463,280	3,088,091	-	31,551,371
	28,465,136	12,336,803	-	40,801,939
Derivative Liabilities Held for Risk Management	2,115	5,798,148	-	5,800,263
	2,115	5,798,148	-	5,800,263

Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
For the Three Months Period Ended 31 March 2019

11. CASH AND CASH EQUIVALENTS

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

	31 March 2019 (Reviewed) QR000	31 March 2018 (Reviewed) QR000	31 December 2018 (Audited) QR000
Cash and Balances with Central Banks	36,443,375	32,138,342	34,605,083
Due from Banks Maturing in Three months	66,283,390	43,809,317	57,206,779
Total	102,726,765	75,947,659	91,811,862

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

12. 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 2018.

Exposures

	31 March 2019				31 December 2018
	Stage 1 (Reviewed) QR000	Stage 2 (Reviewed) QR000	Stage 3 (Reviewed) QR000	Total (Reviewed) QR000	Total (Audited) QR000
Loans and Advances to Customers	607,780,474	24,373,442	12,159,281	644,313,197	633,268,034
Loan Commitments and Financial Guarantees	191,322,620	1,776,350	264,930	193,363,900	193,971,894

ECL Movement for the Period for Loans and Advances to Customers

	31 March 2019				31 March 2018
	Stage 1 (Reviewed) QR000	Stage 2 (Reviewed) QR000	Stage 3 (Reviewed) QR000	Total (Reviewed) QR000	Total (Reviewed) QR000
Opening Balance of Provisions as at 1 January	1,668,145	1,785,141	12,689,444	16,142,730	11,700,755
ECL Impact of Initial Application of IFRS 9 - updated	-	-	-	-	4,248,925
ECL Charge for the Period (Net)	30,641	91,867	625,386	747,894	659,118
Foreign Currency Translation for the Period	(35,165)	(30,551)	(131,770)	(197,486)	(208,948)
Write-offs during the Period	-	(74,708)	(255,026)	(329,734)	(7,232)
Closing Balance as at 31 March	1,663,621	1,771,749	12,928,034	16,363,404	16,392,618

ECL charge for the period includes interest in suspense of QR47 million (2018: QR60 million).

The ECL Day 1 impact reported in the interim condensed consolidated financial statements as of 31 March 2018 was updated in the annual consolidated financial statements as of 31 December 2018. Therefore, this note should be read in conjunction with the disclosure made in Note 3(aa) (i) to the annual audited consolidated financial statements.

ECL Movement for the Period for Loan Commitments and Financial Guarantees

	31 March 2019				31 March 2018
	Stage 1 (Reviewed) QR000	Stage 2 (Reviewed) QR000	Stage 3 (Reviewed) QR000	Total (Reviewed) QR000	Total (Reviewed) QR000
Opening Balance of Provisions as at 1 January	131,183	34,458	128,519	294,160	77,185
ECL Impact of Initial Application of IFRS 9	-	-	-	-	336,499
ECL Charge for the Period (Net)	35,738	11,832	13,905	61,475	11,960
Foreign Currency Translation for the Period	2,151	1,393	7,510	11,054	(9,109)
Closing Balance as at 31 March	169,072	47,683	149,934	366,689	416,535

13. SHARE SPLIT

On 10 February 2019, the Extraordinary General Meeting of the Bank approved the par value of the ordinary share to be QR1 instead of QR10, as per the instructions of Qatar Financial Markets Authority, and amendment of the related Articles of Association. The share split has not yet been implemented pending completion of certain legal formalities, as at the end of the reporting period.