

Commercial Bank of Dubai PSC

Condensed consolidated interim financial statements
31 March 2017

Commercial Bank of Dubai PSC

Condensed consolidated interim financial statements
For the three-month period ended 31 March 2017

<i>Contents</i>	<i>Page</i>
Independent auditors' report on review of consolidated interim financial information	1
Consolidated interim statement of financial position	2
Consolidated interim income statement	3
Consolidated interim statement of comprehensive income	4
Consolidated interim statement of changes in equity	5
Consolidated interim statement of cash flows	6
Notes to the condensed consolidated interim financial statements	7-23



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REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF COMMERCIAL BANK OF DUBAI PSC

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Commercial Bank of Dubai PSC (the "Bank") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated interim statement of financial position as at 31 March 2017 and the related consolidated interim statements of income and comprehensive income, cash flows and changes in equity for the three-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, Interim Financial Reporting ("IAS 34"). 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 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 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young

Signed by:
Anthony O'Sullivan
Partner
Registration No. 687

20 April 2017

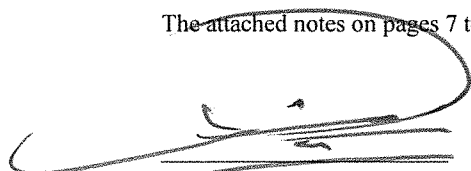
Dubai, United Arab Emirates

Commercial Bank of Dubai PSC
 Consolidated statement of financial position
 As at 31 March 2017

		31 March 2017 AED'000 (Unaudited)	31 December 2016 AED'000 (Audited)	31 March 2016 AED'000 (Unaudited)
ASSETS				
Cash and balances with Central Bank	5	6,760,598	6,712,466	6,097,119
Due from banks	6	4,084,172	3,724,254	3,861,025
Loans and advances and Islamic financing, net	7	44,005,661	41,962,538	38,752,867
Investment securities	8	7,520,829	7,418,277	6,827,802
Investment in an associate		78,134	77,768	75,104
Investment properties		371,892	375,191	330,567
Property and equipment		355,461	355,211	336,921
Bankers acceptances		3,140,094	3,056,956	2,373,516
Other assets		459,081	397,115	571,956
TOTAL ASSETS		66,775,922	64,079,776	59,226,877
LIABILITIES AND EQUITY				
LIABILITIES				
Due to banks		1,476,536	1,560,148	1,521,980
Customers' deposits and Islamic customers' deposits	9	45,928,582	43,773,824	41,116,157
Notes and medium term borrowings	10	6,082,799	6,080,537	5,493,949
Due for trade acceptances		3,140,094	3,056,956	2,373,516
Other liabilities		1,845,741	928,688	807,701
TOTAL LIABILITIES		58,473,752	55,400,153	51,313,303
EQUITY				
Share capital	11	2,802,734	2,802,734	2,802,734
Legal reserve		1,401,367	1,401,367	1,401,367
Capital reserve		38,638	38,638	38,638
General reserve		1,328,025	1,328,025	1,227,718
Cumulative changes in fair values of available for sale investments and cash flow hedge instruments		51,962	18,014	14,027
Proposed cash dividend		-	560,547	-
Proposed directors' remuneration		-	11,000	-
Retained earnings		2,679,444	2,519,298	2,429,090
TOTAL EQUITY		8,302,170	8,679,623	7,913,574
TOTAL LIABILITIES AND EQUITY		66,775,922	64,079,776	59,226,877

The condensed consolidated interim financial statements were approved by the Board of Directors on 20 April 2017.

The attached notes on pages 7 to 23 form part of these condensed consolidated interim financial statements.



Mr. Saeed Ahmed Ghobash
 Chairman



Dr. Bernd van Linder
 Chief Executive Officer

The review report of the Auditors is set out on page 1.

Commercial Bank of Dubai PSC

Consolidated income statement

For the three-month period ended 31 March 2017

	Note	31 March 2017 AED'000 (Unaudited)	31 March 2016 AED'000 (Unaudited)
Interest income and income from Islamic financing		586,937	538,940
Interest expense and distributions to Islamic depositors		<u>(156,839)</u>	<u>(131,894)</u>
Net interest income and net income from Islamic financing		430,098	407,046
Net fees and commission income		144,934	112,782
Net gains from foreign exchange and derivatives		31,838	32,709
Net gains from investments at fair value through profit or loss - held for trading		2,509	298
Net gains from sale of available-for-sale investments		1,711	9,487
Share of profit of an associate		3,560	545
Dividend income		3,137	5,177
Other income		<u>10,167</u>	<u>8,298</u>
Total operating income		627,954	576,342
Impairment allowances on loans and advances and Islamic financing	7	(256,736)	(143,840)
Recoveries		13,922	20,260
Impairment allowance on investments securities		-	(3,666)
Total net income		385,140	449,096
Staff and other expenses		(211,547)	(195,247)
Depreciation and amortisation		<u>(13,447)</u>	<u>(13,046)</u>
Total operating expenses		(224,994)	(208,293)
Net profit for the period		160,146	240,803
Basic and diluted earnings per share	12	AED 0.06	AED 0.09

The attached notes on pages 7 to 23 form part of these condensed consolidated interim financial statements.

The review report of the Auditors is set out on page 1.

Commercial Bank of Dubai PSC

Consolidated statement of comprehensive income

For the three-month period ended 31 March 2017

	31 March 2017 AED'000 (Unaudited)	31 March 2016 AED'000 (Unaudited)
Net profit for the period	<u>160,146</u>	<u>240,803</u>
Other comprehensive income:		
Changes in fair value of effective portion of cash flow hedge	(2,394)	(4,201)
Changes in available-for-sale (AFS) investments:		
Realised gains on sale of AFS investments	(1,711)	(9,487)
Revaluation of AFS investments (net of impairment)	38,053	34,009
Net change in AFS investments	<u>36,342</u>	<u>24,522</u>
Other comprehensive income for the period	<u>33,948</u>	<u>20,321</u>
Total comprehensive income for the period	<u><u>194,094</u></u>	<u><u>261,124</u></u>

Balances of all items included in other comprehensive income (as above) could be recycled to consolidated income statement in subsequent periods.

The attached notes on pages 7 to 23 form part of these condensed consolidated interim financial statements.

The review report of the Auditors is set out on page 1.

Commercial Bank of Dubai PSC

Consolidated statement of changes in equity

For the three-month period ended 31 March 2017

	Share capital AED'000	Legal reserve AED'000	Capital reserve AED'000	General reserve AED'000	Cumulative changes in fair values of AFS investments and cash flow hedge instruments AED'000	Retained earnings AED'000	Proposed distributions AED'000	Total AED'000
At 1 January 2016	2,802,734	1,401,367	38,638	1,227,718	(6,294)	2,193,094	571,547	8,228,804
<i>Transactions with shareholders, recorded directly in equity</i>								
Cash dividend paid for 2015 (20%)	-	-	-	-	-	-	(560,547)	(560,547)
Directors' remuneration paid for 2015	-	-	-	-	-	-	(11,000)	(11,000)
Others changes in equity*	-	-	-	-	-	(4,807)	-	(4,807)
Comprehensive income								
Net profit for the period	-	-	-	-	-	240,803	-	240,803
Other comprehensive income for the period	-	-	-	-	20,321	-	-	20,321
Total comprehensive income for the period								
At 31 March 2016 (unaudited)	2,802,734	1,401,367	38,638	1,227,718	14,027	2,429,090	-	7,913,574
At 1 January 2017	2,802,734	1,401,367	38,638	1,328,025	18,014	2,519,298	571,547	8,679,623
<i>Transactions with shareholders, recorded directly in equity</i>								
Cash dividend paid for 2016 (20%)	-	-	-	-	-	-	(560,547)	(560,547)
Directors' remuneration paid for 2016	-	-	-	-	-	-	(11,000)	(11,000)
Comprehensive income								
Net profit for the period	-	-	-	-	-	160,146	-	160,146
Other comprehensive income for the period	-	-	-	-	33,948	-	-	33,948
Total comprehensive income for the period								
At 31 March 2017 (unaudited)	2,802,734	1,401,367	38,638	1,328,025	51,962	2,679,444	-	8,302,170

* This represents Bank's share of the adjustments which were recognized by an associate due to early adoption of new financial regulations for insurance companies in 2015.

The attached notes on pages 7 to 23 form part of these condensed consolidated interim financial statements.

The review report of the Auditors is set out on page 1.

Commercial Bank of Dubai PSC

Consolidated statement of cash flows

For the three-month period ended 31 March 2017

	31 March 2017	31 March 2016
Note	AED'000 (Unaudited)	AED'000 (Unaudited)
OPERATING ACTIVITIES		
Net profit for the period	160,146	240,803
Adjustments for:		
Depreciation and amortisation	13,447	13,046
Loss on disposal of property and equipment	-	35
Dividend income	(3,137)	(5,177)
(Increase) / decrease in investment in an associate	(366)	2,118
Amortisation of premium / discounts on investments	13,879	17,577
Net unrealised gains on investments at fair value through profit or loss - held for trading	-	(556)
Forex translation gains	(3,203)	(4,792)
Realised gains on sale of investments	(3,872)	(8,991)
Net unrealised (income) / loss on derivatives	(1,326)	5,711
Impairment of AFS Investment	-	3,666
Amortisation of transaction cost on notes and medium term borrowings	2,262	2,137
	<u>177,830</u>	<u>265,577</u>
Increase in statutory reserve with the Central Bank	(41,001)	(53,089)
Decrease / (increase) in due from banks with original maturity of more than three months	176,639	(400,891)
(Increase) / decrease in loans and advances and Islamic financing, net	(2,043,123)	267,954
Increase in other assets	(65,879)	(192,716)
Increase in customers' deposits and Islamic customers' deposits	2,154,758	641,381
Increase in other liabilities	358,471	74,546
Decrease in due to banks with original maturity of more than three months	(150,000)	-
Directors' remuneration paid	(11,000)	(11,000)
	<u>556,695</u>	<u>591,762</u>
Net cash flow from operating activities		
INVESTING ACTIVITIES		
Purchase of investments	(2,305,909)	(1,249,703)
Purchase of property and equipment	(10,398)	(14,625)
Increase in investment properties	-	-
Dividend income	3,137	5,177
Proceeds from sale of investments	2,233,775	1,062,548
Proceeds from sale of property and equipment	-	134
Net cash flow used in investing activities	<u>(79,395)</u>	<u>(196,469)</u>
FINANCING ACTIVITIES		
Notes and medium term borrowings	-	(882)
Dividend paid	-	(560,547)
Net cash flow used in financing activities	<u>-</u>	<u>(561,429)</u>
Net increase / (decrease) in cash and cash equivalents	477,300	(166,136)
Cash and cash equivalents at 1 January	<u>5,558,692</u>	<u>4,962,375</u>
Cash and cash equivalents at end of the period	6,035,992	4,796,239

The attached notes on pages 7 to 23 form part of these condensed consolidated interim financial statements.

The review report of the Auditors is set out on page 1.

Commercial Bank of Dubai PSC

Notes to the condensed consolidated interim financial statements

For the three-month period ended 31 March 2017

1 LEGAL STATUS AND ACTIVITIES

Commercial Bank of Dubai PSC (“the Bank”) was incorporated in Dubai, United Arab Emirates (U.A.E.) in 1969 and is registered as a Public Shareholding Company (PSC) in accordance with Federal Law No. 2 of 2015. The Federal Law No. 2 of 2015, concerning Commercial Companies has come into effect from 1 July 2015, replacing the Federal Law No. 8 of 1984. In order to comply with the new Commercial Companies Law, the Bank held its General Assembly meeting on 26 June 2016 to amend its articles of association. The amendment was approved by the regulatory authority during the three month period ended 31 March 2017 and was adopted by the bank. The Bank is listed on the Dubai Financial Market. The Bank’s principal activity is commercial banking.

The condensed consolidated interim financial statements of the Group for the three month period ended 31 March 2017 comprise the results of the Bank, its wholly owned subsidiaries (together referred to as “the Group”) and the Group’s interest in an associate.

Details about subsidiaries and an associate:

- a) CBD Financial Services LLC, is registered as a limited liability company in accordance with Federal Law No. 2 of 2015 in Dubai, United Arab Emirates. The Federal Law No. 2 of 2015, concerning Commercial Companies has come into effect from 1 July 2015, replacing the Federal Law No. 8 of 1984. The Bank holds a 100% interest. Its principal activity is broking for local shares and bonds.
- b) Attijari Properties LLC, is registered as a limited liability company in accordance with Federal Law No. 2 of 2015 in Dubai, United Arab Emirates. The Federal Law No.2 of 2015, concerning Commercial Companies has come into effect from 1 July 2015, replacing the Federal Law No. 8 of 1984. The Bank holds a 100% interest. Its principal activity is self-owned property management services and buying & selling of real estate.
- c) CBD (Cayman) Limited is a special purpose entity (SPE) registered in British Virgin Islands. The SPE has been established for any future issuance of debt securities.
- d) CBD (Cayman II) Limited, which is a special purpose entity (SPE) registered in British Virgin Island. The SPE has been established to transact and negotiate derivatives agreements.
- e) National General Insurance Co. (PSC) is an associate of the Bank and is listed on the Dubai Financial Market. It underwrites all classes of life and general insurance business as well as certain reinsurance business. The Bank holds 17.8% interest in the associate. The management believes that it has significant influence on the associate by virtue of having representation on the board of directors of the associate.

The registered address of the Bank is Al Ittihad Street, P.O. Box 2668, Dubai, United Arab Emirates.

2 BASIS OF PREPARATION

a) Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. These condensed consolidated interim financial statements do not include all the information required for full annual audited consolidated financial statements and should be read in conjunction with the audited consolidated financial statements of the Group as at and for the year ended 31 December 2016. In addition, results for the three-month period ended 31 March 2017 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2017.

Commercial Bank of Dubai PSC

Notes to the condensed consolidated interim financial statements (continued)

For the three-month period ended 31 March 2017

2 BASIS OF PREPARATION (continued)

b) Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for the following:

- Derivative financial instruments are measured at fair value;
- Financial instruments classified as fair value through profit or loss, held for trading and available for sale are measured at fair value;
- Recognised assets and liabilities that are hedged item in a fair value hedge transaction are measured at fair value in respect of the risk that is hedged; and
- Granted land is valued at market value on the date of grant.

c) Functional and presentation currency

The consolidated financial statements are presented in United Arab Emirates Dirhams (“AED”), which is the Bank’s functional currency, rounded to the nearest thousand unless otherwise stated.

d) Use of estimates and judgments

The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, significant judgment is exercised by management in applying the Group’s accounting policies. The key sources of estimation and uncertainty are consistent with the annual audited consolidated financial statements of the Group as at and for the year ended 31 December 2016.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the 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 2016, except for the adoption of new standards and interpretations effective as of 1 January 2017. Although these new standards and amendments apply for the first time in 2017, they do not have a material impact on the annual consolidated financial statements of the Group or the condensed consolidated interim financial statements of the Group. The nature and the impact of each new standard or amendment is described below.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Standards / Interpretations / amendments issued and effective for accounting periods beginning on 1 January 2017

IAS 7 – Statement of cash flows

The amendments to IAS 7 Statement of Cash Flows are part of the IASB’s Disclosure Initiative and help users of financial statements better understand changes in an entity’s debt. The amendments require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The amendments are effective for annual periods beginning on or after 1 January 2017.

Standards / Interpretations / amendments issued but not yet effective for accounting periods beginning on 1 January 2017

IFRS 9 – Financial instruments

The complete version of IFRS 9 replaces most of the guidance in IAS 39. IFRS 9 brings together the following three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018.

Commercial Bank of Dubai PSC

Notes to the condensed consolidated interim financial statements (continued)

For the three-month period ended 31 March 2017

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Standards / Interpretations / amendments issued but not yet effective for accounting periods beginning on 1 January 2017 (continued)

(a) Classification and measurement

IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets:

- (i) amortised cost
- (ii) fair value through other comprehensive income (OCI); and
- (iii) fair value through profit and loss

The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value, through profit or loss.

(b) Impairment

There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. IFRS 9 requires the Group to record expected credit losses on all of its debt securities, loans and receivables, either on a 12-month or lifetime basis depending on increase in credit risk since initial recognition

(c) Hedging

IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39.

IFRS 15, 'Revenue from contracts with Customers'

This is the converged standard on revenue recognition. It replaces IAS 11, 'Construction contracts', IAS 18, 'Revenue' and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

IFRS 15 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new standard will be effective for annual periods beginning on or after 1 January 2018.

IFRS 16 – Leases

IFRS 16 Leases requires lessee's to recognise assets and liabilities for most leases. For lessors, there is little change to the existing accounting in IAS 17 Leases. The new standard will be effective for annual periods beginning on or after 1 January 2019. Early application is permitted, provided the new revenue standard, IFRS 15 Revenue from Contracts with Customers, has been applied.

Transfers of investment property – amendments to IAS 40

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments are effective for annual periods beginning on or after 1 January 2018.

Commercial Bank of Dubai PSC

Notes to the condensed consolidated interim financial statements (continued)

For the three-month period ended 31 March 2017

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Standards / Interpretations / amendments issued but not yet effective for accounting periods beginning on 1 January 2017 (continued)

Impact assessment

The Group is in the process of analyzing the impact of IFRS 9. The Group has assessed the impact of other standards, amendments to standards, revisions and interpretations. Based on the assessment, the above standards, amendments to standards, revisions and interpretations (excluding IFRS 9) are not expected to have a material impact on the consolidated financial statements of the Group as at the reporting date.

4 RISK GOVERNANCE AND FINANCIAL RISK MANAGEMENT

The Group's Risk Governance and Financial Risk Management objectives, policies and procedures are consistent with those disclosed in the annual audited consolidated financial statements as at and for the year ended 31 December 2016.

5 CASH AND BALANCES WITH CENTRAL BANK

	31 March 2017 AED'000 (Unaudited)	31 December 2016 AED'000 (Audited)
Cash on hand	427,263	515,182
Balances with U.A.E Central Bank		
- Clearing account balances	313,298	718,248
- Statutory reserves	2,920,037	2,879,036
- Negotiable certificates of deposit	3,100,000	2,600,000
	<u>6,760,598</u>	<u>6,712,466</u>

Statutory reserves are not available for use in the Group's day to day operations and cannot be withdrawn without the approval of the Central Bank. The level of reserves required changes periodically in accordance with the directives of the Central Bank.

6 DUE FROM BANKS

	31 March 2017 AED'000 (Unaudited)	31 December 2016 AED'000 (Audited)
Current and demand deposits	749,098	718,858
Placements	2,986,139	2,656,461
Loans to Banks	348,935	348,935
	<u>4,084,172</u>	<u>3,724,254</u>
The geographical concentration is as follows:		
Within the U.A.E.	1,674,153	1,397,924
Outside the U.A.E.	2,410,019	2,326,330
	<u>4,084,172</u>	<u>3,724,254</u>

Placements include cash collaterals amounting to AED 329.6 million (31 December 2016: AED 351.5 million) placed against repurchase agreements.

Commercial Bank of Dubai PSC

Notes to the condensed consolidated interim financial statements (continued)

For the three-month period ended 31 March 2017

7 LOANS AND ADVANCES AND ISLAMIC FINANCING

The composition of the loans and advances and Islamic financing portfolio is as follows:

	31 March 2017 AED'000 (Unaudited)	31 December 2016 AED'000 (Audited)
Loans and advances		
Overdrafts	4,742,062	4,591,758
Loans	33,564,450	32,636,897
Advances against letters of credit and trust receipts	1,540,685	1,275,189
Bills discounted	1,536,269	1,437,892
Gross loans and advances	41,383,466	39,941,736
Islamic financing		
Murabaha and Tawaruq	2,287,655	2,173,745
Ijara	3,392,531	2,516,634
Others	339,024	481,723
Gross Islamic financing	6,019,210	5,172,102
Gross loans and advances and Islamic financing	47,402,676	45,113,838
Allowances for impairment losses	(3,397,015)	(3,151,300)
Net loans and advances and Islamic financing	44,005,661	41,962,538

	31 March 2017 AED'000 (Unaudited)	31 December 2016 AED'000 (Audited)
Concentration by sector		
Commercial and Business:		
Manufacturing	1,108,697	1,183,406
Construction	1,392,219	1,412,070
Real estate	4,739,402	4,550,842
Trade	7,128,987	7,362,536
Services	7,380,925	6,666,446
Business and investment	13,368,736	11,993,430
Total commercial and business	35,118,966	33,168,730
Banks and financial institutions	1,287,822	910,237
Government and public sector entities	5,104,032	5,056,247
Personal-mortgage	2,346,698	2,308,945
Personal-schematic	3,148,806	3,276,700
Others	396,352	392,979
Gross loans and advances and Islamic financing	47,402,676	45,113,838
Allowances for impairment losses	(3,397,015)	(3,151,300)
Net loans and advances and Islamic financing	44,005,661	41,962,538

Commercial Bank of Dubai PSC

Notes to the condensed consolidated interim financial statements (continued)

For the three-month period ended 31 March 2017

7 LOANS AND ADVANCES AND ISLAMIC FINANCING (continued)

The movements in allowances for impairment losses are as follows:

	Interest suspended AED'000	Specific provisions AED'000	Collective provisions AED'000	Total AED'000
Opening balance 1 January 2017	530,661	1,849,309	771,330	3,151,300
Interest not recognised / new provisions raised	57,646	220,436	36,300	314,382
Less:				
Written-off	(9,440)	(44,298)	-	(53,738)
Recoveries / reversal to income	(1,007)	(13,922)	-	(14,929)
Closing balance 31 March 2017 (Unaudited)	577,860	2,011,525	807,630	3,397,015
	Interest suspended AED'000	Specific provisions AED'000	Collective provisions AED'000	Total AED'000
Opening balance 1 January 2016	381,943	1,615,893	678,789	2,676,625
Interest not recognised / new provisions raised	58,078	133,482	10,358	201,918
Less:				
Written-off	(50)	(4,883)	-	(4,933)
Recoveries / reversal to income	(14,176)	(20,260)	-	(34,436)
Closing balance 31 March 2016 (Unaudited)	425,795	1,724,232	689,147	2,839,174

The Group has hedged the fair value of certain fixed rate loans and advances and Islamic financing. The carrying value of these loans and advances and Islamic financing was AED 295 million (31 December 2016: AED 295 million). The positive fair value of the hedged component was AED 563 thousand (31 December 2016: negative fair value AED 108 thousand).

Commercial Bank of Dubai PSC

Notes to the condensed consolidated interim financial statements (continued)

For the three-month period ended 31 March 2017

8 INVESTMENT SECURITIES

	UAE AED'000	GCC AED'000	International AED'000	Total AED'000
31 March 2017 (Unaudited)				
Available-for-sale				
Equities	133,130	-	-	133,130
Fund of funds	3,346	11,633	45,636	60,615
Fixed rate securities				
- Government	2,395,941	857,064	280,187	3,533,192
- Others	1,721,953	1,099,216	390,530	3,211,699
Floating rate non-government securities	193,025	45,323	-	238,348
Held to maturity				
Fixed rate non-government securities	225,806	102,889	15,150	343,845
Total investment securities	4,673,201	2,116,125	731,503	7,520,829
31 December 2016 (Audited)				
Available-for-sale				
Equities	144,931	-	-	144,931
Fund of funds	-	11,701	63,786	75,487
Fixed rate securities				
- Government	2,316,693	749,208	249,688	3,315,589
- Others	1,774,259	1,136,540	349,113	3,259,912
Floating rate non-government securities	188,457	45,608	-	234,065
Held to maturity				
Fixed rate non-government securities	269,902	103,163	15,228	388,293
Total investment securities	4,694,242	2,046,220	677,815	7,418,277

Included in available-for-sale investment securities is an amount of AED 1,410.2 million (31 December 2016: AED 1,399.2 million), pledged under repurchase agreements with banks (note 10).

As at 31 March 2017, the fair value of HTM securities is AED 343.5 million (31 December 2016: AED 387.9 million). The fair value represents level 1 of the fair value hierarchy.

Commercial Bank of Dubai PSC

Notes to the condensed consolidated interim financial statements (continued)

For the three-month period ended 31 March 2017

8 INVESTMENT SECURITIES (continued)

8.1 Fund of funds investments

This represents investments in global and regional asset management funds as a part of the Group's strategy of diversifying its holdings. These investments are carried at net assets value provided by the respective fund managers.

9 CUSTOMERS' DEPOSITS AND ISLAMIC CUSTOMERS' DEPOSITS

	31 March 2017 AED'000 (Unaudited)	31 December 2016 AED'000 (Audited)
Customers' deposits		
Current and demand accounts	18,217,950	15,502,051
Savings accounts	1,810,872	1,686,496
Time deposits	17,349,550	17,842,136
	<u>37,378,372</u>	<u>35,030,683</u>
Islamic customers' deposits		
Current and demand accounts	2,363,041	1,462,891
Mudaraba savings accounts	577,621	546,084
Investment and Wakala deposits	5,609,548	6,734,166
	<u>8,550,210</u>	<u>8,743,141</u>
Total customers' deposits and Islamic customers' deposits	<u>45,928,582</u>	<u>43,773,824</u>

Commercial Bank of Dubai PSC

Notes to the condensed consolidated interim financial statements (continued)

For the three-month period ended 31 March 2017

10 NOTES AND MEDIUM TERM BORROWINGS

	31 December 2016 AED'000 (Audited)	Cash flow Changes AED'000	Non cash flow Changes AED '000	31 March 2017 AED'000 (Unaudited)
Syndicated loan	1,641,103	-	1,164	1,642,267
Repurchase agreements - I	551,442	-	-	551,442
Repurchase agreements - II	591,799	-	-	591,799
Euro medium term notes - I	1,832,276	-	773	1,833,049
Euro medium term notes - II	1,463,917	-	325	1,464,242
Total	6,080,537	-	2,262	6,082,799

	31 December 2015 AED'000 (Audited)	Cash flow Changes AED'000	Non cash flow Changes AED '000	31 March 2016 AED'000 (Unaudited)
Syndicated loan	1,648,767	-	1,029	1,649,796
Repurchase agreements - I	551,442	-	-	551,442
Euro medium term notes - I	1,828,982	-	776	1,829,758
Euro medium term notes - II	1,463,503	(882)	332	1,462,953
Total	5,492,694	(882)	2,137	5,493,949

10.1 *Syndicated loan*

In June 2016, the Group entered into a club deal of USD 450 million (AED 1,653 million) for a term of 3 years with an option to roll over on a quarterly or semi-annual basis. This replaced the syndicated loan arrangement of USD 450 million maturing in December 2016, which was prepaid in June 2016 and carried interest at the rate of 3 month LIBOR plus 125 basis points payable on a quarterly basis. The current arrangement carries interest at the rate of 3 month LIBOR plus 125 basis points payable on a quarterly basis.

10.2 *Repurchase agreements*

In July 2012, the Group entered into Repo transactions to obtain financing against the sale of certain debt securities, amounting to USD 150.1 million (AED 551.3 million) with arrangements to repurchase them at a fixed future date in July 2017. During the period ended 30 June 2016 the arrangement of repurchase has been extended for additional five years till July 2022.

In June 2016, the Group entered into additional Repo transactions to obtain financing against the sale of certain debt securities, amounting to USD 161.1 million (AED 591.7 million) with arrangements to repurchase them at a fixed future date in June 2021.

These securities are carried at fair value amounting to AED 1,410.2 million (USD 383.9 million) (31 December 2016: AED 1,399.2 million (USD 380.9 million)).

10.3 *Euro medium term notes*

In 2013, CBD activated its Euro Medium Term Note (EMTN) program. These notes can be issued by way of private or public placements and in each case on a syndicated or non-syndicated basis. These notes can be priced at fixed rate, floating rate or can be index linked. The maximum issuance under the program was USD 2 billion (AED 7.3 billion). At the Annual General Meeting (AGM) held on 28 February 2016 shareholders approved the increase of the program limit up to a total of USD 3 Billion (AED 11 billion).

In May 2013, CBD issued USD 500 million (AED 1,836.5 million) of conventional bonds. These notes were priced at 3.375 per cent fixed rate and mature on 21 May 2018.

In November 2015, CBD issued USD 400 million (AED 1,469.2 million) of conventional bonds. These notes were priced at 4 per cent fixed rate and mature on 17 November 2020.

Commercial Bank of Dubai PSC

Notes to the condensed consolidated interim financial statements (continued)

For the three-month period ended 31 March 2017

11 EQUITY

Share capital

The fully paid up and authorised ordinary share capital as at 31 March 2017 comprised 2,802,733,968 ordinary shares of AED 1 each (31 December 2016: 2,802,733,968 shares of AED 1 each). There was no movement in authorised ordinary share capital during the period / year.

12 BASIC AND DILUTED EARNINGS PER SHARE

The earnings per share (EPS) is based on the Group's profit for the three month period ended 31 March 2017 attributable to the shareholders of the parent amounting to AED 160.1 million (three month period ended 31 March 2016: AED 240.8 million), and on the weighted average number of shares in issue totaling 2,802,733,968 for all periods presented.

13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the consolidated statement of cash flow comprise the following consolidated statement of financial position amounts:

	31 March 2017	31 March 2016
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Cash on hand	427,263	461,789
Balances with the U.A.E. Central Bank	313,298	42,082
Negotiable certificates of deposit with the U.A.E. Central Bank with original maturity less than three months	3,000,000	2,500,000
Due from banks with original maturity less than three months	3,735,237	3,112,333
	<u>7,475,798</u>	<u>6,116,204</u>
Due to banks with original maturity less than three months	<u>(1,439,806)</u>	<u>(1,319,965)</u>
	<u>6,035,992</u>	<u>4,796,239</u>

14 CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities represent credit-related commitments to extend letters of credit and guarantees which are designed to meet the requirements of the Group's customers toward third parties. Undrawn commitments represent the Group's commitments towards approved un-drawn credit facilities. The amount of contingent liabilities reflected below represent the maximum accounting loss that would be recognised at the reporting date if counterparties failed completely to perform as contracted.

	31 March 2017	31 December 2016
	AED'000	AED'000
	(Unaudited)	(Audited)
Contingent liabilities:		
Letters of credit	1,236,616	1,157,549
Guarantees	8,631,606	8,446,494
Total contingent liabilities	<u>9,868,222</u>	<u>9,604,043</u>
Undrawn commitments to extend credit	15,035,379	14,490,193
Total contingent liabilities and undrawn commitments	<u><u>24,903,601</u></u>	<u><u>24,094,236</u></u>

Acceptances

Under IAS 39, acceptances are recognised on balance sheet with a corresponding liability. Accordingly, there is no contingent liabilities.

Commercial Bank of Dubai PSC

Notes to the consolidated financial statements (continued)

For the three-month period ended 31 March 2017

15 SEGMENTAL REPORTING

The primary format, business segments, is based on the Group's management and internal reporting structure that are regularly reviewed by the Executive Committee in order to allocate resources to the segment and to assess its performance.

Business segments pay to and receive interest from the Treasury to reflect the allocation of funding costs.

Business segments

Corporate banking	Includes loan and other credit facilities, deposits, trade finance products and e-commerce solutions to large corporate clients (including Government related entities).
Commercial banking	Includes loans, working capital financing, trade finance and deposits products to commercial (mid-sized) clients.
Business banking	Includes loans, working capital financing, trade finance and deposits products to small business clients.
Personal banking	Includes current accounts, easy access saving accounts, fixed rate deposit accounts, personal loans, overdraft facilities, vehicle finance, mortgage products, loans and other credit facilities to business (small) clients, high net-worth (Al Dana), mid-tier clients (personal) and modest income group (direct).
Treasury and investments	Undertakes balance sheet management deals and manages the Group's proprietary investment portfolio. It also has derivatives for trading and risk management purposes.

Interest is charged or credited to business segments and branches to match funding transfer pricing rates which approximate the cost of funds.

Geographical

The Group operates in one geographic area, the United Arab Emirates.

	Corporate banking AED'000	Commercial banking AED'000	Business banking AED'000	Personal banking AED'000	Treasury & investments AED'000	Total AED'000
31 March 2017 (Unaudited)						
Assets	<u>30,136,645</u>	<u>10,026,121</u>	<u>1,156,522</u>	<u>6,850,477</u>	<u>18,606,157</u>	<u>66,775,922</u>
Liabilities	<u>28,219,135</u>	<u>7,532,066</u>	<u>3,460,030</u>	<u>11,576,403</u>	<u>7,686,118</u>	<u>58,473,752</u>
31 December 2016 (Audited)						
Assets	<u>29,024,791</u>	<u>9,398,139</u>	<u>1,396,822</u>	<u>6,224,618</u>	<u>18,035,406</u>	<u>64,079,776</u>
Liabilities	<u>25,884,370</u>	<u>7,129,647</u>	<u>3,510,553</u>	<u>11,207,379</u>	<u>7,668,204</u>	<u>55,400,153</u>

Commercial Bank of Dubai PSC

Notes to the consolidated financial statements (continued)

For the three-month period ended 31 March 2017

15 SEGMENTAL REPORTING (continued)

	Corporate banking AED'000	Commercial banking AED'000	Business banking AED'000	Personal banking AED'000	Treasury & investments AED'000	Total AED'000
31 March 2017 (Unaudited)						
Net interest income and net income from Islamic financing	172,708	101,320	46,608	85,725	23,737	430,098
Non-interest & other income	58,886	37,929	28,343	49,637	23,061	197,856
Total operating income	<u>231,594</u>	<u>139,249</u>	<u>74,951</u>	<u>135,362</u>	<u>46,798</u>	<u>627,954</u>
Expenses (note a)	40,910	39,902	32,022	100,442	11,718	224,994
Net provisions (note b)	13,240	119,544	52,655	57,375	-	242,814
	<u>54,150</u>	<u>159,446</u>	<u>84,677</u>	<u>157,817</u>	<u>11,718</u>	<u>467,808</u>
Net profit for the period	<u>177,444</u>	<u>(20,197)</u>	<u>(9,726)</u>	<u>(22,455)</u>	<u>35,080</u>	<u>160,146</u>
31 March 2016 (Unaudited)						
Net interest income and net income from Islamic financing	137,294	104,024	42,643	88,396	34,689	407,046
Non-interest & other income	46,084	36,424	23,541	35,587	27,660	169,296
Total operating income	<u>183,378</u>	<u>140,448</u>	<u>66,184</u>	<u>123,983</u>	<u>62,349</u>	<u>576,342</u>
Expenses (note a)	48,098	40,306	22,318	86,835	10,736	208,293
Net provisions (note b)	30,317	7,957	39,520	45,786	3,666	127,246
	<u>78,415</u>	<u>48,263</u>	<u>61,838</u>	<u>132,621</u>	<u>14,402</u>	<u>335,539</u>
Net profit for the period	<u>104,963</u>	<u>92,185</u>	<u>4,346</u>	<u>(8,638)</u>	<u>47,947</u>	<u>240,803</u>

(a) This includes staff and other expenses and depreciation and amortization.

(b) This includes impairment allowances on loans and advances and Islamic financing, recoveries, impairment allowance on investment securities.

Commercial Bank of Dubai PSC

Notes to the consolidated financial statements (continued)

For the three-month period ended 31 March 2017

16 FINANCIAL ASSETS AND LIABILITIES

16.1 Financial assets and liabilities classification

The table below sets out the Group's assets and liabilities classification in accordance with the categories of financial instruments in IAS 39:

	Fair value through Profit or loss AED'000	Held-to- maturity AED'000	Loans and receivables AED'000	Available-for- sale at fair value AED'000	Other amortised cost AED'000	Total carrying amount AED'000
31 March 2017 (Unaudited)						
Cash and balances with central bank	-	-	-	-	6,760,598	6,760,598
Due from banks	-	-	-	-	4,084,172	4,084,172
Loans and advances and Islamic Investment securities	-	-	44,005,661	-	-	44,005,661
Investment securities	-	343,845	-	7,176,984	-	7,520,829
Bankers acceptances	-	-	-	-	3,140,094	3,140,094
Other assets	73,417	-	-	-	323,687	397,104
Total financial assets	73,417	343,845	44,005,661	7,176,984	14,308,551	65,908,458
Due to banks	-	-	-	-	1,476,536	1,476,536
Customers' deposits and Islamic customers' deposits	-	-	-	-	45,928,582	45,928,582
Notes and medium term borrowings	-	-	-	-	6,082,799	6,082,799
Due for trade acceptances	-	-	-	-	3,140,094	3,140,094
Other liabilities	53,473	-	-	-	1,667,230	1,720,703
Total financial liabilities	53,473	-	-	-	58,295,241	58,348,714
31 December 2016 (Audited)						
Cash and balances with central bank	-	-	-	-	6,712,466	6,712,466
Due from banks	-	-	-	-	3,724,254	3,724,254
Loans and advances and Islamic Investment securities	-	-	41,962,538	-	-	41,962,538
Investment securities	-	388,293	-	7,029,984	-	7,418,277
Bankers acceptances	-	-	-	-	3,056,956	3,056,956
Other assets	77,330	-	-	-	285,460	362,790
Total financial assets	77,330	388,293	41,962,538	7,029,984	13,779,136	63,237,281
Due to banks	-	-	-	-	1,560,148	1,560,148
Customers' deposits and Islamic customers' deposits	-	-	-	-	43,773,824	43,773,824
Notes and medium term borrowings	-	-	-	-	6,080,537	6,080,537
Due for trade acceptances	-	-	-	-	3,056,956	3,056,956
Other liabilities	55,438	-	-	-	759,320	814,758
Total financial liabilities	55,438	-	-	-	55,230,785	55,286,223

The carrying values of the financial assets and liabilities (that are not stated at fair value) are not significantly different from their fair values.

Commercial Bank of Dubai PSC

Notes to the consolidated financial statements (continued)

For the three-month period ended 31 March 2017

16 FINANCIAL ASSETS AND LIABILITIES (continued)

16.2 Fair value measurement – Fair value hierarchy:

The below table, shows the fair value hierarchy of the financial assets and the financial liabilities:

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
31 March 2017 (Unaudited)			
Investments			
Equity	133,130	-	-
Fund of funds	-	60,615	-
Fixed and floating rate securities	6,983,239	-	-
Positive market value of forward foreign exchange contracts and other derivatives			
Held for trading	-	58,709	-
Held for fair value hedge	-	14,708	-
Held for cash flow hedge	-	-	-
Negative market value of forward foreign exchange contracts and other derivatives			
Held for trading	-	(50,221)	-
Held for fair value hedge	-	(1,554)	-
Held for cash flow hedge	-	(1,698)	-
	7,116,369	80,559	-
	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
31 December 2016 (Audited)			
Investments			
Equity	144,931	-	-
Fund of funds	-	75,487	-
Fixed and floating rate securities	6,809,566	-	-
Positive market value of forward foreign exchange contracts and other derivatives			
Held for trading	-	59,191	-
Held for fair value hedge	-	16,092	-
Held for cash flow hedge	-	2,047	-
Negative market value of forward foreign exchange contracts and other derivatives			
Held for trading	-	(51,282)	-
Held for fair value hedge	-	(2,805)	-
Held for cash flow hedge	-	(1,351)	-
	6,954,497	97,379	-

During the period there were no transfers between Level 1 and Level 2 of the fair value hierarchy above and no financial instruments were classified within level 3 of the fair value hierarchy at any time during the current or prior period. Further, there has been no change in the valuation techniques in relation to valuation of financial instruments during the current or prior period.

17 RELATED PARTY TRANSACTIONS AND BALANCES

As at 31 March 2017 and 31 December 2016, Investment Corporation of Dubai (“ICD”) owns 20% share capital of the Bank. ICD is wholly owned by the Government of Dubai (the “Government”).

Other than the transactions disclosed below, the Group enters into transactions with other Government entities. In accordance with the exemption available in the revised IAS 24, the other transactions with such related Government entities are not collectively or individually significant and have not been disclosed.

Commercial Bank of Dubai PSC

Notes to the consolidated financial statements (continued)

For the three-month period ended 31 March 2017

17 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

The Group in the ordinary course of business enters into transactions with major shareholders, directors, key management personnel and their related entities. The terms of these transactions are approved by the Group's Board of Directors.

	Directors and key management personnel		Government related parties		Other related parties	
	31 March 2017 AED'000 (Unaudited)	31 December 2016 AED'000 (Audited)	31 March 2017 AED'000 (Unaudited)	31 December 2016 AED'000 (Audited)	31 March 2017 AED'000 (Unaudited)	31 December 2016 AED'000 (Audited)
Loans and advances and Islamic financing, net	167,589	172,873	1,970,039	1,998,853	1,324,881	1,001,567
Due from banks	-	-	764,150	275,475	-	-
Investment securities	-	-	1,216,797	1,344,038	-	-
Acceptances	-	-	-	216,067	16,007	11,792
Letters of credit	-	-	-	-	21,572	22,698
Letters of guarantees	-	-	172,595	172,595	816,098	711,539
Undrawn commitments to extend credit	17,224	17,003	1,346,043	1,128,803	583,813	580,451
Due to banks	-	-	30,008	18,846	-	-
Customers' deposits and Islamic customers' deposits	45,630	24,884	5,768,694	5,134,321	1,751,819	1,702,570
	31 March 2017 AED'000 (Unaudited)	31 March 2016 AED'000 (Unaudited)	31 March 2017 AED'000 (Unaudited)	31 March 2016 AED'000 (Unaudited)	31 March 2017 AED'000 (Unaudited)	31 March 2016 AED'000 (Unaudited)
Interest income and commission income	1,372	1,469	10,814	9,470	11,423	7,060
Interest expense	13	7	16,216	13,853	5,108	5,837
Dividend from an associate	-	-	-	-	3,194	2,662

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

Other related parties represents major shareholders and parties related to directors, key management personnel.

The terms of transactions with related parties are comparable to third party transactions and do not involve more than normal amount of risk.

No specific allowance for impairment losses has been made on balances with key management personnel and their immediate relations at the year end.

Sitting fees paid to directors for attending committee meetings during the three month period ended 31 March 2017 amounted to AED 850 thousand (31 March 2016: AED1,002 thousand).

Key management compensation	31 March 2017 AED'000 (Unaudited)	31 March 2016 AED'000 (Unaudited)
Salaries	4,690	3,395
Post-employment benefits	216	156
Other benefits	15,527	4,943

Commercial Bank of Dubai PSC

Notes to the consolidated financial statements (continued)

For the three-month period ended 31 March 2017

18 CAPITAL ADEQUACY

The Group's regulator, the Central Bank of the UAE, sets and monitors regulatory capital requirements.

The Group's objectives when managing capital are as follows:

- Safeguard the Group's ability to continue as a going concern and optimize returns for shareholders;
- Comply with regulatory capital requirements set by the Central Bank of the UAE.

The Group's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

The Group also assesses its capital requirements internally taking into consideration growth requirements and business plans, and quantifies its Regulatory and Risk / Economic Capital requirements within its integrated ICAAP Framework. Risks such as Interest Rate Risk in the Banking Book, Concentration Risk, Strategic Risk, Legal and Compliance Risk, Stress Risk, Insurance Risk and Reputational Risk are all part of the ICAAP.

The Group also calculates the Risk Adjusted Return on Capital (RAROC) for credit applications that are priced on a risk-adjusted basis. RAROC calculations are also built into the Credit Appraisal System.

The Group's regulatory capital is analyzed into two tiers:

- Common equity tier 1 (CET 1) capital, which includes ordinary share capital, legal reserve, general reserve and retained earnings; and
- Tier 2 capital, which includes fair value reserves relating to unrealised gains / losses on investments classified as available-for-sale and derivatives held as cash flow hedges and collective provision.

The following limits have been applied for Tier 2 capital:

- Total Tier 2 capital shall not exceed 67% of tier 1 capital;
- Subordinated liabilities shall not exceed 50% of total Tier 1 capital; and
- Collective provision shall not exceed 1.25% of total credit risk weighted assets.

During the three months period ended 31 March 2017 'the Central Bank' issued 'revised capital adequacy standards'. The revised regulations sets out the following minimum capital adequacy requirements.

- Minimum common equity tier 1 (CET 1) ratio of 7% of risk weighted assets (RWAs).
- Minimum tier 1 ratio of 8.5% of RWAs.
- Total capital adequacy ratio of 10.5% of RWAs.

In addition to CET 1 ratio of 7% of RWAs, a capital conservation buffer (CCB) of 1.25% of RWAs shall be maintained in the form of CET 1.

Further, counter cyclical buffer (CCyB) requirement shall be met by using CET 1. The level of CCyB to be notified by 'the Central Bank'. There is no CCyB requirement during the current period.

The Group has complied with all the externally imposed capital requirements.

Commercial Bank of Dubai PSC

Notes to the consolidated financial statements (continued)

For the three-month period ended 31 March 2017

18 CAPITAL ADEQUACY (continued)

The table below summarizes the composition of regulatory capital and capital adequacy ratio calculation as per Basel II, of the Group:

	31 March 2017 AED'000 (Unaudited)	31 December 2016 AED'000 (Audited)
Capital base		
Tier 1 capital (net-off deduction)	8,150,158	8,051,424
Tier 2 capital (net-off deduction)	624,329	641,466
Total capital base	<u>8,774,487</u>	<u>8,692,890</u>
Risk weighted assets (RWA) Pillar 1		
Credit risk	52,988,594	50,668,746
Market risk	209,318	109,379
Operational risk	4,409,191	4,409,191
Risk weighted assets	<u>57,607,103</u>	<u>55,187,316</u>
Tier 1 ratio	14.15%	14.59%
Capital adequacy ratio (Pillar 1)	15.23%	15.75%

19 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the presentation adopted in these condensed consolidated interim financial statements, the effect of which are considered immaterial.