

INDEPENDENT AUDITORS' REPORT TO THE COUNTRY MANAGER ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Habib Bank Limited Afghanistan Branches** (the Bank) as at **30 June 2017** and the related condensed interim statements of comprehensive income, changes in equity and cash flows for the six months period then ended, and notes to the condensed interim financial information ('here-in-after referred to as the 'condensed interim financial information'). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with the requirements of the Law of Banking in Afghanistan and International Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim financial information 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 condensed 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 interim financial information is not prepared, in all material respects, in accordance with the requirements of Law of Banking in Afghanistan and International Accounting Standard No. 34 "Interim Financial Reporting".




Chartered Accountants
Engagement Partner: Shabbir Yunus
Date: 13 August 2017
Kabul, Afghanistan

HABIB BANK LIMITED AFGHANISTAN BRANCHES
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	30 June 2017 (Un-audited) AFN '000'	31 December 2016 (Audited) AFN '000'
ASSETS			
Cash and cash equivalents	4	5,407,096	5,231,279
Lending to financial institutions - net	5	1,414,560	1,580,302
Investments - net	6	2,981,302	2,526,106
Loans and advances to customers - net	7	37,958	36,154
Property and equipment	8	3,100	2,141
Other assets	9	55,492	30,561
Deferred tax asset		6,293	6,293
Total assets		9,905,801	9,412,836
LIABILITIES			
Borrowing from banks	10	1,435,124	979,070
Deposits from customers	11	7,028,919	7,143,290
Taxation - net		17,388	8,250
Other liabilities	12	191,962	77,063
Total liabilities		8,673,393	8,207,673
EQUITY			
Capital contributed by head office		1,000,242	1,000,242
Retained earnings		232,166	204,921
Total equity		1,232,408	1,205,163
Total liabilities and equity		9,905,801	9,412,836
Contingencies and commitments	13		

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.


Country Finance Manager


Country Manager

HABIB BANK LIMITED AFGHANISTAN BRANCHES
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2017

	Note	Six months ended		Three months ended	
		30 June 2017	30 June 2016	30 June 2017	30 June 2016
		(Un-audited) AFN '000'	(Un-audited) AFN '000'	(Un-audited) AFN '000'	(Un-audited) AFN '000'
Interest income		166,914	112,772	86,169	57,932
Interest expense		(73,447)	(29,953)	(39,522)	(15,662)
Net Interest Income		93,467	82,819	46,647	42,270
Fee and commission income - net		27,352	24,297	14,817	15,841
Income from dealing in foreign currencies		18,343	13,325	14,239	7,144
Other income		3,999	3,069	2,395	1,728
		143,161	123,510	78,098	66,983
Provision on placements	4	(27,656)	-	(27,656)	-
Provision on lending to financial institutions		(1,926)	-	3,654	-
Provision on investments	6	(16,317)	-	(16,317)	-
Provision on loans and advances	7	-	(822)	-	(615)
Provision on interest receivable	9	(45)	-	(45)	-
Provision on letter of credits / bank guarantees	12	(13,893)	-	(13,893)	-
Personnel expenses		(19,307)	(22,329)	(9,001)	(10,646)
Occupancy expenses		(8,270)	(6,733)	(4,258)	(4,215)
Depreciation	8	(464)	(423)	(251)	(210)
Other operating expenses		(12,410)	(12,703)	(5,885)	(6,070)
PROFIT BEFORE INCOME TAX		42,873	80,500	4,446	45,227
Taxation		(15,628)	(18,627)	(7,381)	(9,258)
PROFIT FOR THE PERIOD		27,245	61,873	(2,935)	35,969
OTHER COMPREHENSIVE INCOME					
Items that are or may be reclassified to profit or loss in subsequent periods		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		27,245	61,873	(2,935)	35,969

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.


Country Finance Manager


Country Manager

HABIB BANK LIMITED AFGHANISTAN BRANCHES
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR SIX MONTHS ENDED 30 JUNE 2017

	Capital contributed by head office	Retained earnings	Total
Balance as at 01 January 2016 - (Audited)	1,000,242	233,369	1,233,611
Profit for the period	-	61,873	61,873
Payment to Head Office during the period	-	(147,000)	(147,000)
	-	(85,127)	(85,127)
Balance as at 30 June 2016 - (Un-audited)	1,000,242	148,242	1,148,484
Balance as at 01 January 2017 - (Audited)	1,000,242	204,921	1,205,163
Profit for the period	-	27,245	27,245
Balance as at 30 June 2017 - (Un-audited)	1,000,242	232,166	1,232,408

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The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Country Finance Manager



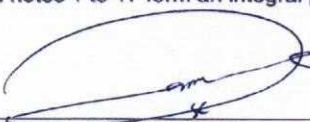
Country Manager

HABIB BANK LIMITED AFGHANISTAN BRANCHES
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR SIX MONTHS ENDED 30 JUNE 2017

		Six months ended 30 June 2017	Six months ended 30 June 2016
		(Un-audited) AFN '000'	(Un-audited) AFN '000'
	Note		
CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the period		27,245	61,873
Adjustment for:			
Depreciation	8	464	423
Provision on lending to financial institutions		1,926	-
Provision on investments	6	16,317	-
Provision on interest receivable	9	45	-
Provision on letter of credits / bank guarantees	12	13,893	-
Net interest income		(93,467)	-
Income tax expense		15,628	18,627
		<u>(17,949)</u>	<u>80,923</u>
Changes in operating assets and liabilities			
Lendings to financial institutions		163,816	(705,236)
Loans and advances to customers - net		(1,804)	42,169
Other assets		4,339	(35,077)
Borrowings from banks		456,054	(294,588)
Deposits from customers		(114,371)	(553,369)
Other liabilities		84,082	49,931
		<u>574,167</u>	<u>(1,415,247)</u>
Interest received		149,547	-
Interest paid		(56,523)	-
Income tax paid		(18,438)	(13,956)
Net cash generated from / (used in) operating activities		<u>648,753</u>	<u>(1,429,203)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Investments		(471,513)	315,393
Acquisition of property and equipment	8	(1,423)	(436)
Net cash (used in) / generated from investing activities		<u>(472,936)</u>	<u>314,957</u>
Transfer to Head office		-	(147,000)
Net increase / (decrease) in cash and cash equivalents		<u>175,817</u>	<u>(1,261,246)</u>
Cash and cash equivalents at beginning of the period		<u>5,231,279</u>	<u>5,675,399</u>
Cash and cash equivalents at end of the period	4	<u>5,407,096</u>	<u>4,414,153</u>

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The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



 Country Finance Manager



 Country Manager

HABIB BANK LIMITED AFGHANISTAN BRANCHES
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR SIX MONTHS ENDED 30 JUNE 2017

1 STATUS AND NATURE OF BUSINESS

Habib Bank Limited Afghanistan Branches (the Bank) is a foreign operation of Habib Bank Limited, Pakistan operating in Afghanistan. The Bank commenced its operations on 14 April 2004 as "Banking Branch", registered with Da Afghanistan Bank ("DAB" or "the Central Bank"), for "Commercial Banking". The Bank obtained a business license from Ministry of Commerce and Industries bearing No. I-10464 which was renewed on 01 August 2017 and is valid till 30 July 2020. Currently, the Bank is operating with 2 conventional Banking branches (2016: 2) in Kabul.

The registered office of the Bank is located in Kabul, Afghanistan.

2 BASIS OF PREPARATION

This condensed interim financial information of the Bank for the six months period ended 30 June 2017 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and the Law of Banking in Afghanistan. In case where requirements differ, the requirements of Law of Banking of Afghanistan takes precedence.

The disclosures made in this condensed financial information have been limited based on the requirements prescribed by the International Accounting Standard (IAS) 34 - Interim Financial Reporting and do not include all the information required in the annual financial statements. Accordingly, this condensed interim financial information should be read in conjunction with the annual financial statements of the Bank for the year ended 31 December 2016.

Standards, interpretations and amendments to published approved accounting standards that are effective in the current period

There are certain new and amended standards and interpretations that are mandatory for the Bank's accounting periods beginning on or after 01 January 2017 but are considered not to be relevant or do not have any significant effect on the Bank's operations and therefore, not detailed in this condensed interim financial information.

3 ACCOUNTING POLICIES

The accounting policies adopted in preparation of this condensed interim financial information are consistent with those followed in the preparation of the annual financial statements of the Bank for the year ended 31 December 2016.

The estimates / judgments and assumptions used in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual financial statements of the Bank for the year ended 31 December 2016.

The financial risk management policies and procedures are the same as those disclosed in annual financial statements of the Bank for the year ended 31 December 2016.

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4. CASH AND CASH EQUIVALENTS

		30 June 2017 (Un-audited) AFN '000'	31 December 2016 (Audited) AFN '000'
Cash in Hand			
Local Currency - AFN		9,716	13,518
Foreign Currency - USD		33,056	26,195
Foreign Currency - EURO		1,370	3,497
		<u>44,142</u>	<u>43,210</u>
Balances with Financial Institutions			
Balances with DAB	4.1	715,163	546,392
Balances with related parties	4.2	4,647,791	4,107,117
Balances with Bank Alfalah, Kingdom of Bahrain		-	534,560
		<u>5,362,954</u>	<u>5,188,069</u>
		<u>5,407,096</u>	<u>5,231,279</u>

4.1 Balances with DAB

Foreign currency			
Current accounts		25,253	71,734
Local currency			
Current accounts		365,724	140,427
Required reserve account	4.1.1	324,186	334,231
		<u>689,910</u>	<u>474,658</u>
		<u>715,163</u>	<u>546,392</u>

4.1.1 Required reserve account is being maintained with DAB to meet minimum reserve requirement in accordance with Article "Reserve Regulation" of the Banking Regulations issued by DAB. These balances are interest free (2016: interest free).

4.2 Balances with related parties

Foreign currency			
Nostro		1,004,427	465,281
Placements	4.2.1	3,671,020	3,641,836
General provision held	4.2.2	(27,656)	-
		<u>4,647,791</u>	<u>4,107,117</u>

4.2.1 This represents a portfolio of placements with related parties. These placements have different maturity periods starting from 14 days to 6 months (2016: 14 days to 3 months) and carry interest rate ranging from 1.10% to 3.08% per annum (2016: 1.10% to 4.10% per annum).

4.2.2 General provision of 1% is held on placements with related parties (2016: Nil), in accordance with "Asset Classification and Provisioning Regulation" issued by DAB.

5. LENDING TO FINANCIAL INSTITUTIONS - NET

		30 June 2017 (Un-audited) AFN '000'	31 December 2016 (Audited) AFN '000'
Trade bills	5.1	1,429,180	1,592,996
Provision held against trade bills	5.2	(14,620)	(12,694)
		<u>1,414,560</u>	<u>1,580,302</u>

5.1 This represents trade bills purchased at discount rate ranging from 1.05% to 3.0% per annum (2016: 2% to 2.95% per annum) having maturity period from 04 to 12 months (2016: 03 to 06 months).

5.2 General provision is held at 1% (2016: 1%), in accordance with 'Asset Classification and Provisioning Regulation' issued by DAB.

6. INVESTMENTS - NET

		30 June 2017 (Un-audited) AFN '000'	31 December 2016 (Audited) AFN '000'
Investments classified as:			
Available for sale	6.1	340,400	334,100
Held to maturity:			
Capital notes with DAB	6.2	1,391,568	1,594,775
Bonds	6.3	1,265,651	597,231
		2,657,219	2,192,006
General Provision held	6.4	(16,317)	-
		<u>2,981,302</u>	<u>2,526,106</u>

6.1 This represents investment amounting to USD 5 million (2016: USD 5 million) in variable rate subordinated loan notes Class C, issued by Habib Allied International Bank Plc, United Kingdom, a subsidiary company of Habib Bank Limited. The notes carry yield ranging from 5.83% to 6.78% (6 months LIBOR + 5%) (2016: 5.83% to 6.32% (6 months LIBOR + 5%) per annum and will mature on 28 December 2017 (2016: 28 December 2017).

6.2 This represents capital notes issued by DAB having face value of AFN 1,467,500,000 (2016: AFN 1,677,500,000) and carry yield ranging from 5.15% to 6.67% (2016: 6.65% to 6.70%) per annum. These have original maturity period of 364 days (2016: 364 days).

6.3 These represent investments in foreign currency bonds issued by the Government of Islamic Republic of Pakistan and the Government of Democratic Socialist Republic of Srilanka. These carry yield ranging from 5.50% and 8.63% (2016: 6% to 7.25%) per annum maturing on 15 April 2019 and 13 October 2021 respectively.

6.4 General provision of 1% is held on available for sale investments and bonds held till maturity (2016: Nil), in accordance with 'Asset Classification and Provisioning Regulation' issued by DAB.

7. LOANS AND ADVANCES TO CUSTOMERS - NET

		30 June 2017 (Un-audited) AFN '000'	31 December 2016 (Audited) AFN '000'
Over drafts	7.1	39,796	37,959
Less: Provision against overdrafts	7.2	(1,838)	(1,805)
		<u>37,958</u>	<u>36,154</u>

7.1 Overdrafts are extended for a period of one year, subject to renewal at the end of loan term. Overdrafts carry interest rates from 12% to 13% (2016: 12% to 13%) per annum. These facilities are secured against immovable properties and personal guarantees.

7.2 Provisions against loans and advances

		30 June 2017 (Un-audited) AFN '000'	31 December 2016 (Audited) AFN '000'
Opening balance		1,805	1,231
Charge for the period / year	7.2.1	-	1,732
Reversal during the period / year		-	(1,130)
Exchange rate fluctuation		33	(28)
		33	574
Loan written off during the period / year		-	-
Closing balance		<u>1,838</u>	<u>1,805</u>

7.2.1 As at 30 June 2017, the provisioning has been made in accordance with the 'Asset Classification and Provisioning Regulation' issued by DAB.

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8. Property and equipment

	30 June 2017 (Un-audited) AFN '000'	31 December 2016 (Audited) AFN '000'
Property and equipment-Movement		
<i>Opening balance (Audited):</i>		
Cost	19,859	19,574
Accumulated depreciation	(17,718)	(17,077)
Net book amount	<u>2,141</u>	<u>2,497</u>
<i>Movement during the period / year:</i>		
Additions	1,423	285
Depreciation charge	(464)	(641)
	<u>959</u>	<u>(356)</u>
<i>Closing balance:</i>		
Cost	21,282	19,859
Accumulated depreciation	(18,182)	(17,718)
Net book amount	<u>3,100</u>	<u>2,141</u>

9. OTHER ASSETS

	30 June 2017 (Un-audited) AFN '000'	31 December 2016 (Audited) AFN '000'
	Note	
Prepayments	10,968	5,644
Interest / mark-up receivable	42,200	24,834
Others	2,369	83
	<u>55,537</u>	<u>30,561</u>
General provision held against interest receivable	9.1 (45)	-
	<u>55,492</u>	<u>30,561</u>

9.1 General provision is held at 1% (2016: Nil), in accordance with 'Asset Classification and Provisioning Regulation' issued by DAB.

10. BORROWING FROM BANKS

	30 June 2017 (Un-audited) AFN '000'	31 December 2016 (Audited) AFN '000'
	Note	
Afghan United Bank	340,400	400,920
Bank-e-Millie Afghan	340,400	-
First Micro Finance Bank Limited - Afghanistan	500,084	578,150
Azizi Bank	254,240	-
	10.1 <u>1,435,124</u>	<u>979,070</u>

10.1 These represent borrowing from other banks carrying interest rates ranging from 1.30% to 2.45% (2016: 0.35% to 1.40%) per annum having maturities from 14 days to 365 days (2016: upto 3 months).

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11. DEPOSITS FROM CUSTOMERS

		30 June 2017 (Un-audited) AFN '000'	31 December 2016 (Audited) AFN '000'
Local currency			
Term deposits	11.1	2,065,000	1,420,000
Current deposits		126,056	164,236
Saving deposits	11.2	104,562	196,792
		<u>2,295,618</u>	<u>1,781,028</u>
Foreign currency			
Term deposits	11.3	1,381,343	1,088,498
Current deposits		3,335,490	4,263,579
Saving deposits	11.2	16,468	10,185
		<u>4,733,301</u>	<u>5,362,262</u>
		<u>7,028,919</u>	<u>7,143,290</u>

11.1 These carry interest rates ranging from 3.60% to 5% (2016: 3.60% to 5%) per annum and have a maturity period ranging from 03 to 06 months (2016: 01 year).

11.2 These carry interest rates ranging from 0.10 % to 2% (2016: 0.10 % to 2%) per annum and have a maturity period ranging from 01 to 06 months (2016: 01 to 06 months).

11.3 These carry interest rates ranging from 1% to 1.78% (2016: 1% to 1.78%) per annum and have maturity period from 03 to 06 months (2016: 03 to 06 months).

12. OTHER LIABILITIES

		30 June 2017 (Un-audited) AFN '000'	31 December 2016 (Audited) AFN '000'
Interest payable		45,145	28,221
Margin money		123,701	41,664
Accrued expenses		9,223	7,178
General provision held against letter of credits / bank guarantees	12.1	13,893	-
		<u>191,962</u>	<u>77,063</u>

12.1 General provision is held at 1% (2016: Nil), in accordance with 'Asset Classification and Provisioning Regulation' issued by DAB.

13. CONTINGENCIES AND COMMITMENTS

		30 June 2017 (Un-audited) AFN '000'	31 December 2016 (Audited) AFN '000'
13.1 Contingencies	Note		
Letter of credit and acceptances		<u>9,872</u>	<u>10,346</u>
13.2 Commitments			
Undrawn loan and overdraft facilities		<u>1,052</u>	<u>2,133</u>
Guarantees	13.2.1	<u>1,378,429</u>	<u>1,260,971</u>

13.2.1 These represent bid bonds and performance based guarantees issued by the Bank.

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14. RELATED PARTY TRANSACTIONS

The Bank is a branch office of Habib Bank Limited Pakistan, therefore, HBL Head office, HBL overseas branches, HBL subsidiaries and associates are related parties to the Bank. Other related parties include key management personnel of the Bank. The transactions with related parties are carried out as per agreed terms.

14.1 Details of transactions with the related parties during the period are as follows:

Name of group companies	Nature of transactions	Six months ended		Three months ended	
		30 June 2017 (Un-audited)	30 June 2016 (Un-audited)	30 June 2017 (Un-audited)	30 June 2016 (Un-audited)
		AFN '000	AFN '000	AFN '000	AFN '000
HBL Hong Kong	Placement made	3,176,868	2,501,585	1,872,200	1,231,560
	Placement matured	2,905,348	2,810,165	1,667,960	1,334,190
	Income earned on placements	60,573	6,607	57,827	2,890
HBL Singapore	Placement made	1,490,560	1,301,580	885,040	615,780
	Placement matured	1,423,280	1,987,220	885,040	684,200
	Income earned on placements	2,004	3,561	1,245	834
HBL Turkey	Placement made	67,730	513,510		410,520
	Placement matured	67,590	410,520	67,590	410,520
	Income earned on placements	348	348	348	348
HBL Bahrain	Placement made	2,671,560	3,014,560	1,191,400	1,847,340
	Placement matured	3,182,160	1,164,820	1,702,000	684,200
	Income earned on placements	28,468	14,354	14,837	9,936
HBL Kenya	Placement made	7,159,424	2,842,535	3,506,120	1,915,760
	Placement matured	7,293,584	2,637,965	3,472,080	1,505,240
	Income earned on placements	5,577	1,961	2,673	1,029
HBL Sri Lanka	Placement made	742,640	549,280	408,540	102,630
	Placement matured	746,490	686,600	408,540	102,630
	Income earned on placements	762	2,341	180	340
HBL Pakistan - Treasury	Placement made	714,840	1,642,080	714,840	1,642,080
	Placement matured	714,840	1,642,080	714,840	1,642,080
	Income earned on placements	153	16	153	16
FMFB - Afghanistan	Placement made	3,000,865	-	300,000	-
	Placement matured	2,677,910	-	-	-
	Income earned on placements	2,858	-	1,791	-
HBL KEPZ	Placement made	1,259,480	-	1,259,480	-
	Placement matured	1,191,400	-	1,191,400	-
	Income earned on placements	142	-	142	-
HBL Lebanon	Placement made	612,720	-	612,720	-
	Placement matured	612,720	-	612,720	-
	Income earned on placements	90	-	90	-
Key management personnel compensation					
Salaries and benefits		5,393	5,387	3,434	1,950

In addition to their salaries, the Bank also provides non-cash benefit to expatriates staff which includes furnished accommodation.

FMFB

14.2 Balances with related parties as at period / year end are as follows:

Name of group companies	Nature of transactions	30 June 2017	31 December 2016
		(Un-audited) AFN '000'	(Audited) AFN '000'
HBL Bahrain	Placement	1,103,304	1,470,040
HBL Singapore	Placement	272,320	267,280
HBL Hong Kong	Placement	1,137,996	982,400
HBL Kenya	Placement	714,840	701,610
HBL Treasury HOK	Placement	1,089,280	200,460
HBL Lebanon	Placement	20,424	20,046
HBL KEPZ	Placement	238,280	-
First Microfinance Bank	Placement	300,000	-
Habib Allied International Bank	Available for sale investments	340,400	334,100
HBL Brussels	Current Account	158,010	137,990
Habib Allied International Bank	Current Account	115,556	113,484
HBL New York	Current Account	729,901	212,103
HBL Foreign Exchange Pakistan	Current Account	960	1,704
HBL Bangladesh	Lendings to financial institutions	-	323,535
Borrowings from banks			
FMFB		500,084	578,150
Deposits from Customers			
Tourism Promotion Services - KSH		3,149	13,154
French Medical Institute for Children (FMIC)		3,384	3,408
Telecom Development Company Afghanistan		1,121	2,653
Key management personnel compensation			
Accounts Balances		656	1,250

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Fair value of fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to absence of current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Bank's accounting policy as stated in note 10.2.1 to the annual audited financial statements for the year ended 31 December 2016.

In the opinion of the management, the fair value of the remaining financial assets and financial liabilities are not significantly different from their carrying values since assets and liabilities are either short term in nature or in the case of customer loans and deposits are frequently repriced.

IFRS 13 requires the Bank to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3 based on the degree to which the fair value is observable.

Available for sale investments	Level 1	Level 2	Level 3	Total
	AFN '000'			
As at 30 June 2017 (Un-audited)	-	-	340,400	340,400
As at 31 December 2016 (Audited)	-	-	334,100	334,100

During the period ended 30 June 2017, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

Egypt

16. CORRESPONDING FIGURES


16.1 Corresponding figures have been re-arranged and reclassified, wherever necessary, to facilitate comparisons. No significant reclassifications were made during the period.

16.2 Figures have been rounded off to the nearest thousand unless otherwise stated.

17. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been authorized for issue by the Country Finance Manager and Country Manger of the Bank on 13-August-2017.

ET 2017



Country Finance Manager



Country Manager