

Emirates Investment Bank P.J.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the three months period ended 31 March 2019

Emirates Investment Bank P.J.S.C.

**Review report and condensed consolidated interim financial information
for the period from 1 January 2019 to 31 March 2019**

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Review report on condensed consolidated interim financial information to the Shareholders of Emirates Investment Bank P.J.S.C

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Emirates Investment Bank P.J.S.C. ("the Bank") and its subsidiary (together referred to as "the Group") as at 31 March 2019 and the related condensed consolidated interim income statement, statement of other comprehensive income, statement of cash flows and statement of changes in equity for the three-month period then ended and other explanatory information. The Directors are responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34 – Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this condensed consolidated 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 consolidated 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 information is not prepared, in all material respects, in accordance with IAS 34.

PricewaterhouseCoopers
6 May 2019

Douglas O'Mahony
Registered Auditor Number 834
Place: Dubai, United Arab Emirates

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Douglas O'Mahony, Rami Sarhan, Jacques Fakhoury and Mohamed ElBorno are registered as practising auditors with the UAE Ministry of Economy

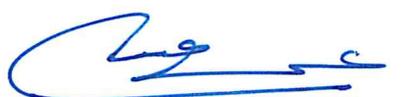
Emirates Investment Bank P.J.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

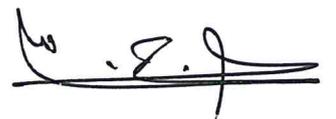
As at 31 March 2019

	<i>Notes</i>	<i>31 March 2019 AED'000 (Unaudited)</i>	<i>31 December 2018 AED'000 (Audited)</i>
ASSETS			
Cash and balances with UAE Central Bank		327,805	373,165
Due from banks, net	3	878,518	833,419
Loans and advances, net	4	1,197,850	1,330,201
Investments, net	5	1,725,140	1,437,582
Property and equipment		6,603	7,238
Other assets		51,199	35,276
TOTAL ASSETS		4,187,115	4,016,881
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks	7	724,297	623,546
Customer deposits		2,924,968	2,881,278
Other liabilities		53,500	41,352
TOTAL LIABILITIES		3,702,765	3,546,176
EQUITY			
Share capital		70,000	70,000
Legal reserve		35,000	35,000
Special reserve		44,251	44,251
Credit impairment reserve		23,742	23,742
Cumulative changes in fair values		14,542	9,450
Retained earnings		296,587	288,034
Equity attributable to equity holders of the parent		484,122	470,477
Non-controlling interests		228	228
TOTAL EQUITY		484,350	470,705
TOTAL LIABILITIES AND EQUITY		4,187,115	4,016,881

The condensed consolidated interim financial information were approved by the Board of Directors 6 May 2019 and signed on its behalf by:



Omar Abdulla Al Futtaim
(Chairman)



Abdullah Al Turifi
(Director)

The accompanying notes from pages 8 to 24 form an integral part of this condensed consolidated interim financial information.

Emirates Investment Bank P.J.S.C.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

For the three month period ended 31 March 2019 (Unaudited)

	<i>Notes</i>	<i>Three month period ended</i>	
		<i>31 March</i>	<i>2018</i>
		<i>2019</i>	<i>2018</i>
		<i>AED'000</i>	<i>AED'000</i>
Interest income	8	19,819	16,807
Net income from investments	9	22,560	17,841
		<u>42,379</u>	<u>34,648</u>
Interest expense		(14,491)	(10,757)
INTEREST AND INVESTMENT INCOME, NET		27,888	23,891
Fee, commission and other income		9,575	16,958
Exchange gain, net		895	1,020
OPERATING INCOME		38,358	41,869
General and administrative expenses		(25,457)	(25,203)
Net impairment loss on financial assets		(3,596)	(1,625)
OPERATING EXPENSES		(29,053)	(26,828)
PROFIT FOR THE PERIOD		9,305	15,041
Attributable to:			
Equity holders of the parent		9,305	14,466
Non-controlling interests		-	575
PROFIT FOR THE PERIOD		9,305	15,041
BASIC AND DILUTED EARNINGS PER SHARE			
ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			
(in AED)	10	13.29	20.67

The accompanying notes from pages 8 to 24 form an integral part of this condensed consolidated interim financial information.

Emirates Investment Bank P.J.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF OTHER
COMPREHENSIVE INCOME

For the three month period ended 31 March 2019 (Unaudited)

	<i>Three month period ended</i>	
	<u>31 March</u>	
	2019	2018
	AED'000	AED'000
PROFIT FOR THE PERIOD	9,305	15,041
<i>Other comprehensive income</i>		
<i>Items that will not be reclassified subsequently to income statement</i>		
Fair value reserve (equity instruments)		
net changes in fair value	(204)	65
Gain on sale of investment	86	-
<i>Items that may be reclassified subsequently to income statement</i>		
Fair value reserve (debt instruments)		
net changes in fair value	1,329	(3,306)
Expected credit losses on investment in debt instruments measured at fair value through other comprehensive income	3,881	97
Other comprehensive income/(loss) for the period	5,092	(3,144)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	14,397	11,897
Attributable to:		
Equity holders of the parent	14,397	11,322
Non-controlling interests	-	575
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	14,397	11,897

The accompanying notes from pages 8 to 24 form an integral part of this condensed consolidated interim financial information.

Emirates Investment Bank P.J.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the three month period ended 31 March 2019 (Unaudited)

	<i>Three month period ended</i>	
	<i>31 March</i>	
	<i>2019</i>	<i>2018</i>
	<i>AED'000</i>	<i>AED'000</i>
OPERATING ACTIVITIES		
Profit for the period	9,305	15,041
Adjustments for:		
Depreciation	635	666
Net impairment loss on financial assets	3,596	1,625
	<hr/>	<hr/>
Operating profit before changes in operating assets and liabilities	13,536	17,332
Change in UAE Central Bank statutory deposits	(17,305)	(4,368)
Change in due to bank with original maturity of over three months	(237,723)	(122,569)
Change in due from bank with original maturity of over three months	-	12,075
Change in loans and advances, net	132,159	(225,704)
Change in investments, net	(285,719)	212,564
Change in other assets	(16,675)	(7,560)
Change in customers' deposits	43,690	(384,103)
Change in other liabilities	12,148	(13,474)
	<hr/>	<hr/>
Net cash used in operating activities	(355,889)	(515,807)
	<hr/>	<hr/>
INVESTING ACTIVITY		
Purchase of property and equipment	-	(554)
	<hr/>	<hr/>
Net cash used in investing activity	-	(554)
	<hr/>	<hr/>
FINANCING ACTIVITY		
Funds used in non-controlling interests	-	(14,362)
	<hr/>	<hr/>
Net cash used in financing activity	-	(14,362)
	<hr/>	<hr/>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(355,889)	(530,723)
Cash and cash equivalents at 1 January	636,596	397,319
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT 31 March	280,707	(133,404)
	<hr/> <hr/>	<hr/> <hr/>
Cash and cash equivalents comprise the following amounts in the statement of financial position with original maturities of three months or less:		
Cash and balances with the UAE Central Bank (excluding statutory deposits)	125,578	112,012
Due from banks	879,426	957,625
Due to banks	(724,297)	(1,203,041)
	<hr/>	<hr/>
	280,707	(133,404)
	<hr/> <hr/>	<hr/> <hr/>
Operational cash flows from interest and dividends		
Interest paid	14,353	13,152
Interest received (including interest from investments)	23,341	24,314
Dividends received	4,353	2,823

The accompanying notes from pages 8 to 24 form an integral part of this condensed consolidated interim financial information.

Emirates Investment Bank P.J.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the three month period ended 31 March 2019 (Unaudited)

	Share Capital AED'000 (Unaudited)	Legal reserve AED'000 (Unaudited)	Special reserve AED'000 (Unaudited)	Credit impairment reserve* AED'000 (Unaudited)	Cumulative changes in fair values AED'000 (Unaudited)	Retained earnings AED'000 (Unaudited)	Total AED'000 (Unaudited)	Non- controlling interests AED'000 (Unaudited)	Total AED'000 (Unaudited)
At 1 January 2019	70,000	35,000	44,251	23,742	9,450	288,034	470,477	228	470,705
Changes on initial application of IFRS 16 (Note 2.4)	-	-	-	-	-	(752)	(752)	-	(752)
Balance at 1 January 2019 after application of IFRS 16	70,000	35,000	44,251	23,742	9,450	287,282	469,725	228	469,953
Profit for the period	-	-	-	-	-	9,305	9,305	-	9,305
Other comprehensive income for the period	-	-	-	-	5,092	-	5,092	-	5,092
Total comprehensive income for the period	-	-	-	-	5,092	9,305	14,397	-	14,397
Balance at 31 March 2019	70,000	35,000	44,251	23,742	14,542	296,587	484,122	228	484,350

* The Bank has created a special reserve titled as 'credit impairment reserve' in lieu of the general provision required to be created in accordance with the "Circular No 28/2010" issued by the UAE Central Bank.

The accompanying notes from pages 8 to 24 form an integral part of this condensed consolidated interim financial information.

Emirates Investment Bank P.J.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the three month period ended 31 March 2019 (Unaudited)

	<i>Share Capital AED'000 (Unaudited)</i>	<i>Legal reserve AED'000 (Unaudited)</i>	<i>Special reserve AED'000 (Unaudited)</i>	<i>Credit impairment reserve* AED '000 (Unaudited)</i>	<i>Cumulative changes in fair values AED'000 (Unaudited)</i>	<i>Retained earnings AED'000 (Unaudited)</i>	<i>Total AED'000 (Unaudited)</i>	<i>Non- controlling interests AED'000 (Unaudited)</i>	<i>Total AED'000 (Unaudited)</i>
At 1 January 2018	70,000	35,000	40,556	-	18,359	257,658	421,573	147,412	568,985
Changes on initial application of IFRS 9	-	-	-	23,742	(4,799)	(2,883)	16,060	-	16,060
Restated balance at 1 January 2018	70,000	35,000	40,556	23,742	13,560	254,775	437,633	147,412	585,045
Profit for the period	-	-	-	-	-	14,466	14,466	575	15,041
Other comprehensive loss for the period	-	-	-	-	(3,144)	-	(3,144)	-	(3,144)
Total comprehensive income for the period	-	-	-	-	(3,144)	14,466	11,322	575	11,897
Movement in non- controlling interests	-	-	-	-	-	-	-	(14,362)	(14,362)
Balance at 31 March 2018	<u>70,000</u>	<u>35,000</u>	<u>40,556</u>	<u>23,742</u>	<u>10,416</u>	<u>269,241</u>	<u>448,955</u>	<u>133,625</u>	<u>582,580</u>

The accompanying notes from pages 8 to 24 form an integral part of this condensed consolidated interim financial information.

Emirates Investment Bank P.J.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the three month period ended 31 March 2019 (Unaudited)

1 INCORPORATION AND ACTIVITIES

Emirates Investment Bank P.J.S.C. (the “Bank”) was incorporated on 17 February 1976 in Dubai, United Arab Emirates by a decree of HH The Ruler of Dubai. In 1999, the Bank was registered under the UAE Commercial Companies Law No. (8) Of 1984 (as amended) as a Public Joint Stock Company. The Federal Law No. 2 of 2015, concerning Commercial Companies has come into effect from 28 June 2015, replacing the existing Federal Law No. 8 of 1984.

The Bank is engaged in the business of private banking and investment banking. The address of the Bank’s registered office is P. O. Box 5503, Dubai, United Arab Emirates.

The condensed consolidated interim financial information for the period ended 31 March 2019 comprise the financial statements of the Bank and its subsidiaries (together referred to as the “Group”).

The Bank is a subsidiary of Al Futtaim Private Company LLC, which holds 52.85% (2018:52.85%) of the shares in the Bank.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The condensed consolidated interim financial information of the Bank are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

The condensed consolidated interim financial information do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Group’s annual financial statements as at 31 December 2018.

In addition, results for the three months ended 31 March 2019 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2019.

The accounting policies applied by the Group in the preparation of the condensed consolidated interim financial information are consistent with those applied by the Group in the annual consolidated financial statements for the year ended 31 December 2018, except for changes in accounting policies as disclosed in Note 2.4.

In preparing these condensed consolidated interim financial information, significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2018.

2.2 New and revised IFRS applied on the condensed consolidated interim financial information

The following new and revised IFRS, which became effective for annual periods beginning on or after 1 January 2019, have been adopted in these financial statements. The application of these revised IFRSs, except where stated, have not had any material impact on the amounts reported for the current and prior years.

- **IFRS 16, ‘Leases’** - This standard replaces the current guidance in IAS 17 and is a far reaching change in accounting by lessees in particular. Under IAS 17, lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a ‘right-of-use asset’ for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees.

For lessors, the accounting remains mainly unchanged. However, as the IASB has updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard. At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The impact of the IFRS 16 on the condensed consolidated interim financial information of the Group have been disclosed in note 2.4.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 New and revised IFRS applied on the condensed consolidated interim financial information (continued)

- **Amendment to IFRS 9, ‘Financial instrument’** - The amendment permits more assets to be measured at amortised cost than under the previous version of IFRS 9, in particular some prepayable financial assets. The amendment also confirms that modifications in financial liabilities will result in the immediate recognition of a gain or loss.
- **IFRIC 23 Uncertainty over Income Tax Treatments** – The interpretation address the determination of taxable profit (tax loss) tax bases, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. It specifically considers
 - Whether tax treatments should be considered collectively
 - Assumptions for taxation authorities
 - The determination of taxable profit (tax loss), tax bases, unused tax losses, and tax rates
 - The effect of changes in facts and circumstances

2.3 New and revised IFRS in issue but not yet effective and not early adopted

The Group has not yet early applied the following new standards, amendments and interpretations that have been issued but are not yet effective:

	Effective for annual periods beginning on or after
New and revised IFRS	
<ul style="list-style-type: none">• IFRS 17, ‘Insurance contracts’ - On 18 May 2017, the IASB finished its long-standing project to develop an accounting standard on insurance contracts and published IFRS 17, ‘Insurance Contracts’. IFRS 17 replaces IFRS 4, which currently permits a wide variety of practices. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.	1 January 2022
<p>The standard applies to annual periods beginning on or after 1 January 2021, with earlier application permitted if IFRS 15, ‘Revenue from contracts with customers’ and IFRS 9, ‘Financial instruments’ are also applied.</p> <p>IFRS 17 requires a current measurement model, where estimates are remeasured in each reporting period. The measurement is based on the building blocks of discounted, probability-weighted cash flows, a risk adjustment and a contractual service margin (“CSM”) representing the unearned profit of the contract. A simplified premium allocation approach is permitted for the liability for the remaining coverage if it provides a measurement that is not materially different from the general model or if the coverage period is one year or less. However, claims incurred will need to be measured based on the building blocks of discounted, risk-adjusted, probability weighted cash flows.</p>	
<ul style="list-style-type: none">• Amendments to IFRS 3 – This amendment revises the definition of a business. According to feedback received by the IASB, application of the current guidance is commonly thought to be too complex, and it results in too many transactions qualifying as business combinations.	1 January 2020

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 New and revised IFRS in issue but not yet effective and not early adopted (continued)

- **Amendments to IAS 1 and IAS 8** - These amendments to IAS 1, 'Presentation of financial statements', and IAS 8, 'Accounting policies, changes in accounting estimates and errors', and consequential amendments to other IFRSs: i) use a consistent definition of materiality throughout IFRSs and the Conceptual Framework for Financial Reporting; ii) clarify the explanation of the definition of material; and iii) incorporate some of the guidance in IAS 1 about immaterial information. 1 January 2020

The Group is currently assessing the impact of these standards, interpretations and amendments on the future financial statements and intends to adopt these, if applicable, when they become effective.

2.4 Significant accounting policies

Hedge accounting

The Group designates certain hedging instruments, which include derivatives as either fair value hedges or cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the consolidated income statement immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the consolidated statement of income statement.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to the consolidated income statement from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the consolidated statement of other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in consolidated income statement, is included in the other income line item.

Amounts previously recognised in the consolidated statement of other comprehensive income and accumulated in equity are reclassified to consolidated income statement in the periods when the hedged item affects in the recognition of a non-financial assets or a non-financial liability, the gains and losses previously recognised in consolidated statement of comprehensive income and accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Significant accounting policies (continued)

Hedge accounting (continued)

Cash flow hedges (continued)

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in the consolidated statement of other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the consolidated income statement. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the consolidated income statement.

Leasing

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Changes in accounting policies

The Group has adopted IFRS 16 prospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening statement of financial position on 1 January 2019. On adoption of IFRS 16, the group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases.

These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 2.89%.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Significant accounting policies (continued)

Changes in accounting policies (continued)

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied. Other right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2018.

The net impact on retained earnings on 1 January 2019 was a decrease of AED 752 thousand.

Policy applicable before 1 January 2019

Until the financial year ended 2018, leases of properties were classified as operating leases. Lease income from operating leases where the group was a lessor was recognised in income on a straight-line basis over the lease term. The respective leased assets were included in the balance sheet based on their nature.

3 DUE FROM BANKS, NET

	<i>31 March 2019 AED'000 (Unaudited)</i>	<i>31 December 2018 AED'000 (Audited)</i>
Domestic	72,549	77,146
Regional	4,463	5,666
International	802,414	751,364
	<u>879,426</u>	<u>834,176</u>
Less: allowance for impairment (note 6)	(908)	(757)
	<u><u>878,518</u></u>	<u><u>833,419</u></u>

Part of the balances with banks amounting to AED 363,345 thousand (2018: AED 312,589 thousand) is pledged as collateral with banks against credit facilities. Refer note 7.1 for the detail of credit facilities as at reporting date.

4 LOANS AND ADVANCES, NET

	<i>31 March 2019 AED'000 (Unaudited)</i>	<i>31 December 2018 AED'000 (Audited)</i>
Gross loans and advances	1,199,113	1,331,176
Less: allowance for impairment (note 6)	(1,094)	(902)
Less: interest in suspense	(169)	(73)
	<u>1,197,850</u>	<u>1,330,201</u>

Emirates Investment Bank P.J.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

5 INVESTMENTS, NET

	<i>31 March 2019 AED'000 (Unaudited)</i>	<i>31 December 2018 AED'000 (Audited)</i>
<i>Investment at fair value through profit or loss</i>		
<i>Debt instruments</i>		
Quoted	7,520	39,065
<i>Equity instruments</i>		
Quoted	63,988	88,539
Unquoted	183,723	246,279
	<u>247,711</u>	<u>334,818</u>
Total investments measured at fair value through profit or loss	<u>255,231</u>	<u>373,883</u>
<i>Investments at fair value through other comprehensive income</i>		
<i>Debt instruments</i>		
Quoted	660,015	223,068
Unquoted	8,299	8,299
	<u>668,314</u>	<u>231,367</u>
<i>Equity instruments</i>		
Quoted	52,032	52,236
Total investments measured at fair value through other comprehensive income	<u>720,346</u>	<u>283,603</u>
<i>Investments at amortized cost</i>		
<i>Debt instruments</i>		
Quoted	754,501	785,667
Total investments measured at amortised cost	<u>754,501</u>	<u>785,667</u>
Investment in bullion	610	605
Gross investments	1,730,688	1,443,758
Less: allowance for impairment (note 6)	(5,548)	(6,176)
Investments, net	<u><u>1,725,140</u></u>	<u><u>1,437,582</u></u>

Emirates Investment Bank P.J.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

5 INVESTMENTS, NET (continued)

	<i>31 March 2019 AED'000 (Unaudited)</i>	<i>31 December 2018 AED'000 (Audited)</i>
<i>Debt instruments:</i>		
Domestic	128,260	125,296
Regional	286,337	108,953
International	1,015,738	821,850
	<u>1,430,335</u>	<u>1,056,099</u>
<i>Equity instruments:</i>		
Domestic	60,272	61,096
Regional	1,295	1,649
International	238,176	324,309
	<u>299,743</u>	<u>387,054</u>
Investment in bullion	<u>610</u>	<u>605</u>
Gross investments	1,730,688	1,443,758
Less: allowance for impairment (note 6)	(5,548)	(6,176)
Investments, net	<u>1,725,140</u>	<u>1,437,582</u>

Part of the proprietary investment portfolio of the Group having a carrying value of AED 517,994 thousand (2018: AED 430,723 thousand) is pledged as collateral with banks against credit facilities. Refer note 7.1 for the detail of credit facilities as at reporting date.

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

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Emirates Investment Bank P.J.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

5 INVESTMENTS, NET (continued)

As at 31 March 2019, the Group held the following investments measured as follows:

	<i>31 March</i>	<i>Investments carried at fair value</i>			<i>Investments</i>
	<i>2019</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>carried at</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>amortised cost</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>AED'000</i>
					<i>(Unaudited)</i>
Debt instruments:					
Domestic	128,260	69,889	-	8,299	50,072
Regional	286,337	271,525	-	-	14,812
International	1,015,738	326,121	-	-	689,617
Equity instruments:					
Domestic	60,272	45,552	1,099	13,621	-
Regional	1,295	1,295	-	-	-
International	238,176	62,746	175,430	-	-
Investment in bullion	610	610	-	-	-
Gross investments	1,730,688	777,738	176,529	21,920	754,501
Less: allowance for impairment (note 6)	(5,548)				
Investments, net	1,725,140				

As at 31 December 2018, the Group held the following investments measured as follows:

	<i>Total</i>	<i>Investments carried at fair value</i>			<i>Investments</i>
	<i>2018</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>carried at</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>amortised cost</i>
	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>AED'000</i>
					<i>(Audited)</i>
Debt instruments:					
Domestic	125,296	66,675	-	8,299	50,322
Regional	108,953	94,127	-	-	14,826
International	821,850	101,331	-	-	720,519
Equity instruments:					
Domestic	61,096	46,698	801	13,597	-
Regional	1,649	1,649	-	-	-
International	324,309	86,001	219,548	18,760	-
Investment in bullion	605	605	-	-	-
Gross investments	1,443,758	397,086	220,349	40,656	785,667
Less: allowance for impairment (note 6)	(6,176)				
Investments, net	1,437,582				

The fair value of debt instruments carried at amortised cost as at 31 March 2019, amounts to AED 749,825 thousand (31 December 2018: AED 770,348 thousand)

Emirates Investment Bank P.J.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

5 INVESTMENTS, NET (continued)

There were no transfers between the levels of the fair value hierarchy in the three months to 31 March 2019.

The following table shows a reconciliation of the opening and closing amounts of level 3 investments recorded at fair value:

	<i>31 March 2019 AED'000 (Unaudited)</i>	<i>31 December 2018 AED'000 (Audited)</i>
At the beginning of the period/year	40,656	50,907
Remeasurement of impairment under IFRS 9	-	(10,000)
Disposal	(18,760)	-
Net unrealised loss recognised in income statement	24	(251)
	<hr/>	<hr/>
At the end of the period/year	<u>21,920</u>	<u>40,656</u>

The Group has assessed the sensitivity of the fair value measurement of investments under level 3 due to changes in inputs used. Based on the assessment, no major changes in the fair value of investments under level 3 are noted as at 31 March 2019. Such an assessment is performed on a quarterly basis by reviewing the changes in unobservable inputs which might result in higher or lower fair value measurement.

A legal case in which the Group is a plaintiff in respect of an outstanding commercial paper with a gross outstanding value of AED 19.8 million is still in progress. Based on the advice of counsel, management is confident of a positive outcome to the case and recovery of full book value.

Emirates Investment Bank P.J.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

6 ALLOWANCE FOR IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	<i>31 March 2019 AED'000 (Unaudited)</i>	<i>31 December 2018 AED'000 (Audited)</i>
Investments		
<i>Movement in allowances for impairment losses</i>		
Balance at 1 January	6,176	26,300
Impairment allowance adjusted against carrying value of investments	-	(10,000)
Initial application of IFRS 9	-	(12,298)
Impairment allowance for the period/year	(628)	2,174
	<u>5,548</u>	<u>6,176</u>
Loans and advances		
<i>Movement in allowances for impairment losses</i>		
Balance at 1 January	902	15,000
Initial application of IFRS 9	-	(14,543)
Impairment allowance for the period/year	192	445
	<u>1,094</u>	<u>902</u>
Due from banks		
<i>Movement in allowances for impairment losses</i>		
Balance at 1 January	757	-
Initial application of IFRS 9	-	3,099
Impairment allowance for the period/year	151	(2,342)
	<u>908</u>	<u>757</u>

Expected credit losses

The analysis of expected credit losses by stage for loans and advances, investment in debt instruments measured at amortised cost and due from banks is as follows:

	<i>31 March 2019 AED'000 (Unaudited)</i>	<i>31 December 2018 AED'000 (Audited)</i>
Expected credit losses -Lifetime ECL (Stage 3)	3,222	3,000
Expected credit losses- 12-months ECL (Stage 1)	2,901	2,976
Expected credit losses- lifetime ECL (Stage 2)	1,427	1,859
Expected credit losses	<u>4,328</u>	<u>4,835</u>
Total expected credit losses	<u>7,550</u>	<u>7,835</u>

Emirates Investment Bank P.J.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

7 DUE TO BANKS

	31 March 2019 AED'000 (Unaudited)	31 December 2018 AED'000 (Audited)
Term deposits	447,395	485,665
Repurchase agreements	273,732	137,723
Demand and call deposits	3,170	158
	<u>724,297</u>	<u>623,546</u>

7.1 Information on collateral

	Balance 31 March 2019 AED'000 (Unaudited)	Collateral value 31 March 2019 AED'000 (Unaudited)	Balance 31 December 2018 AED'000 (Audited)	Collateral value 31 December 2018 AED'000 (Audited)
<i>Term deposits:</i>				
Collateralized by investments	95,385	226,281	104,335	283,456
Collateralized by due from banks	327,010	363,345	281,330	312,589
	<u>422,395</u>	<u>589,626</u>	<u>385,665</u>	<u>596,045</u>
<i>Repurchase agreements:</i>				
Collateralized by debt instruments	273,732	291,713	137,723	147,267

The group has unsecured term deposits amounting to AED 25,000 thousand (2018: AED 100,000 thousand) as at the reporting date.

8 INTEREST INCOME

	<i>Three months ended 31 March</i>	
	2019 AED'000 (Unaudited)	2018 AED'000 (Unaudited)
Loans and advances	18,675	15,684
Bank placements	1,144	1,123
	<u>19,819</u>	<u>16,807</u>

Emirates Investment Bank P.J.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

9 NET INCOME FROM INVESTMENTS

	<i>Three months ended 31 March</i>	
	2019 AED'000 (Unaudited)	2018 AED'000 (Unaudited)
Interest income on investments in debt instruments	9,307	14,579
Net income from interest rate swaps	15	-
Net realised gain on disposal of investments measured at amortised cost	-	2,563
Net realised (loss)/gain from investment securities measured as fair value through profit or loss	(2,041)	1,142
Net unrealised gain/(loss) from investment securities measured as fair value through profit or loss	11,164	(3,078)
Dividend income	4,353	2,823
(Loss)/gain on redemption of investments	(8)	6
Portfolio management fees paid to other financial institutions	(230)	(194)
	22,560	17,841

10 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share of AED 13.29 (31 March 2018: AED 20.67) is calculated by dividing the profit attributable to the equity holders of the parent of AED 9,305 thousand for the three month period ended 31 March 2019 (31 March 2018: AED 14,466 thousand) by the weighted average number of shares outstanding during the period of 700,000 of AED 100 each (31 March 2018: 700,000 shares of AED 100 each).

The figure for basic and diluted earnings per share is the same as the Group has not issued any instruments which would have an impact on earnings per share when exercised.

11 SEGMENTAL ANALYSIS

For operating purposes, the Group is organised into two major business segments: (a) Investments, which is principally involved in managing the Group's own investment portfolio and provides treasury services; and (b) Banking Services, which principally manages clients' investment portfolios, provides credit facilities, accepts deposits from corporate and individual customers and provides advisory services on corporate finance and capital market transactions. These segments are the basis on which the Group reports its primary segment information. Transactions between segments are conducted at rates determined by management taking into consideration the cost of funds and an equitable allocation of expenses.

Management monitors the operating results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

Emirates Investment Bank P.J.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

11 SEGMENTAL ANALYSIS (continued)

	<i>Investments</i>		<i>Banking Services</i>		<i>Total</i>	
	<i>Three months ended</i>		<i>Three months ended</i>		<i>Three months ended</i>	
	<i>31 March</i>		<i>31 March</i>		<i>31 March</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Revenue *	21,538	18,111	27,714	32,890	49,252	51,001
Inter-segment adjustment	1,636	3,535	(1,636)	(3,535)	-	-
	<u>23,174</u>	<u>21,646</u>	<u>26,078</u>	<u>29,355</u>	<u>49,252</u>	<u>51,001</u>
Profit for the period	<u>6,280</u>	<u>5,185</u>	<u>3,025</u>	<u>9,856</u>	<u>9,305</u>	<u>15,041</u>

* Revenue comprises of interest income, net income from investments, fee commission and other income and exchange gain/ (loss) less net impairment loss on financial assets

	<i>Investments</i>		<i>Banking Services</i>		<i>Total</i>	
	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
Segment assets	<u>2,961,641</u>	<u>2,666,262</u>	<u>1,225,474</u>	<u>1,350,619</u>	<u>4,187,115</u>	<u>4,016,881</u>
Segment liabilities and equity	<u>757,001</u>	<u>642,102</u>	<u>3,430,114</u>	<u>3,374,779</u>	<u>4,187,115</u>	<u>4,016,881</u>

12 COMMITMENTS AND CONTINGENT LIABILITIES

Credit-related commitments and contingent liabilities

Credit-related commitments include commitments to extend credit, letters of credit, guarantees and acceptances which are designed to meet the requirements of the Group's customers.

Letters of credit, guarantees and acceptances commit the Group to make payments on behalf of customers, contingent upon the failure of the customers to perform under the terms of the contract.

The Group has the following credit related contingent liabilities and commitments:

	<i>31 March</i>	<i>31 December</i>
	<i>2019</i>	<i>2018</i>
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Guarantees	44,307	46,908
Unutilised committed credit facilities*	142,581	148,338
	<u>186,888</u>	<u>195,246</u>

The Group has commitments of AED 35,365 thousand on account of investment in equity instruments (31 December 2018: AED 35,698 thousand).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

12 COMMITMENTS AND CONTINGENT LIABILITIES (continued)

Credit-related commitments and contingent liabilities (continued)

* Unutilised committed credit facilities represent a contractual commitment to permit draw downs on a facility within a defined period subject to conditions precedent and termination clauses. As commitments may expire without being drawn down and since conditions precedent to draw down have to be fulfilled, the total contract amounts do not necessarily represent exact future cash requirements.

13 RELATED PARTY TRANSACTIONS

The Group enters into transactions in the ordinary course of business with related parties, defined as major shareholders, directors, key management personnel and their related companies. All loans and advances to related parties are performing advances and are free of any provision for possible loan losses. Pricing policies and terms of related parties' transactions are approved by the Group's management.

The significant balances outstanding in respect of related parties included in the condensed consolidated interim financial information are as follows:

	<i>31 March 2019 AED'000 (Unaudited)</i>	<i>31 December 2018 AED'000 (Audited)</i>
<i>Directors, their related parties and key management personnel:</i>		
Loans and advances	<u>14,476</u>	<u>14,999</u>
Investments	<u>21,345</u>	<u>21,061</u>
Customers' deposits	<u>517,522</u>	<u>543,038</u>
Commitments and contingencies	<u>36,931</u>	<u>39,481</u>
Other liabilities	<u>4,996</u>	<u>1,936</u>

The income and expenses in respect of related parties included in the condensed consolidated interim financial information are as follows:

	<i>Three month ended 31 March</i>	
	<i>2019 AED'000 (Unaudited)</i>	<i>2018 AED'000 (Unaudited)</i>
<i>Directors, their related parties and key management personnel:</i>		
Interest income	55	3,854
Interest expense	(4,230)	(1,869)
Net realised gain on disposal of investments measured at amortised cost	-	2,563
Other income	742	670
General and administration expenses	(1,899)	(1,840)

Emirates Investment Bank P.J.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

13 RELATED PARTY TRANSACTIONS (continued)

Outstanding balances at the period end arise in the normal course of business. For the period ended 31 March 2019, the Group has not recorded any impairment on amounts owed by related parties (2018: Nil).

	<i>Three month ended 31 March</i>	
	<i>2019</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>2018</i> <i>AED'000</i> <i>(Unaudited)</i>
Salaries and other benefits	<u>2,944</u>	<u>2,911</u>

14 DERIVATIVE FINANCIAL INSTRUMENTS

In the ordinary course of business the Group enters into transactions that involve derivative financial instruments. A derivative financial instrument is a financial contract between two parties where payments are dependent upon movements in price in one or more underlying financial instrument, reference rate or index. The purpose of derivative financial instruments in the Group's business is to mitigate the risks arising from default, currency and interest fluctuations and other market variables. The Group uses forward foreign exchange contracts and options to mitigate the currency risk on certain investments.

The table below shows the fair values of derivative financial instruments, recorded as assets or liabilities, together with the notional amounts. The notional amount, recorded gross is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the period end and are neither indicative of the market risk nor credit risk.

31 March 2019

	<i>Positive</i> <i>fair value</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>Negative</i> <i>fair value</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>Notional</i> <i>amount</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>Notional amount by term to maturity</i>		
				<i>Less than</i> <i>1 year</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>1 to 5</i> <i>years</i> <i>AED'000</i> <i>(Unaudited)</i>	<i>Over 5 years</i> <i>AED'000</i> <i>(Unaudited)</i>
Derivatives:						
Forward foreign exchange contracts	166	711	94,772	94,772	-	-
Foreign exchange Option contracts	288	288	190,288	190,288	-	-
Interest rate swaps	1,098	9,624	255,274	-	-	255,274
	<u>1,552</u>	<u>10,623</u>	<u>540,334</u>	<u>285,060</u>	<u>-</u>	<u>255,274</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

14 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

31 December 2018

	Positive fair value AED'000 (Audited)	Negative fair value AED'000 (Audited)	Notional amount AED'000 (Audited)	Notional amount by term to maturity		
				Less than 1 year AED'000 (Audited)	1 to 5 years AED'000 (Audited)	Over 5 years AED'000 (Audited)
Derivatives:						
Forward foreign exchange contracts	304	284	97,842	97,842	-	-
Foreign exchange option contracts	737	737	161,582	161,582	-	-
	<u>1,041</u>	<u>1,021</u>	<u>259,424</u>	<u>259,424</u>	<u>-</u>	<u>-</u>

Derivatives often involve at their inception only a mutual exchange of promises with little or no transfer of consideration. A relatively small movement in the value of the asset, rate or index underlying a derivative contract may have an impact on the profit or loss of the Group. The Group's exposure under derivative contracts is closely monitored as part of the overall management of the Group's market risk.

Derivative product type

Forwards

Forwards are contractual agreements to either buy or sell a specified currency, commodity or financial instrument at a specific price and date in the future. Forwards are customised contracts transacted in over-the-counter markets.

Options

Options are contractual agreements that convey the right, but not the obligation, to either buy or sell a specific amount of a commodity or financial instrument at a fixed price, either at a fixed future date or at any time within a specified period.

Swaps

Swaps are commitments to exchange one set of cash flows for another. For interest rate swaps, counter-parties generally exchange fixed and floating rate interest payments in a single currency without exchanging principal.

Fair value

The Derivatives are recorded at fair value by using the published price quotations in an active market or counterparty prices or valuation techniques using a valuation model that has been tested against the prices of actual market transactions and the Group's best estimate of the most appropriate model inputs.

Foreign exchange forward contracts, foreign exchange option contracts and interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

Derivative related credit risk

Credit risk in respect of derivative financial instruments arises from the potential for a counterparty to default on its contractual obligations and is limited to the positive fair value of instruments that are favorable to the Group. With gross-settled derivatives, the Group is also exposed to a settlement risk, being the risk that the Group honors its obligation, but the counterparty fails to deliver the counter value.

Changes in counterparty credit risk have no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

All the derivative contracts are recorded at fair value under level 2 of the fair value hierarchy.

Emirates Investment Bank P.J.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL
INFORMATION (CONTINUED)

For the three month period ended 31 March 2019 (Unaudited)

15 FIDUCIARY ASSETS

	<i>31 March 2019 AED'000 (Unaudited)</i>	<i>31 December 2018 AED'000 (Audited)</i>
Balance of fiduciary assets	<u>5,520,684</u>	<u>5,676,901</u>

The Group provides custody services for its customers' assets. These assets are held by the Group in a fiduciary capacity and are, accordingly, not included in these condensed consolidated interim financial information as assets of the Group.