

**HOUSING AND DEVELOPMENT BANK
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 SEPTEMBER 2017**

Accountability State Authority

Allied for Accounting & Auditing EY

Baker Tilly

Report on Limited Review of consolidated Interim Financial Statements

To The Board of Directors of Housing and Development- Egypt (S.A.E)

Introduction

We have performed a limited review for the accompanying consolidated interim financial statements of Housing and Development Bank - Egypt (S.A.E) as of 30 September, 2017 which comprise of the consolidated statement of financial position as of 30 September, 2017 and the related consolidated statements of income, changes in equity and cash flows for the Nine-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these consolidated interim financial statements and basis of recognition and measurement in accordance with the Central Bank of Egypt's rules issued on 16 December, 2008, its explanatory instructions and the prevailing Egyptian laws. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our limited review.

Scope of Limited Review

We conducted our limited review in accordance with the Egyptian Standard on Review Engagements 2410, "Limited Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A limited review of consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Bank, and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian 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 on these consolidated interim financial statements.

Conclusion

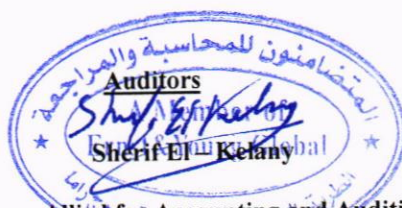
Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not present fairly, in all material respects, the consolidated financial position of the Bank as of 30 September, 2017, and its consolidated financial performance and its consolidated cash flows for the Nine-month period then ended, in accordance with the basis of recognition and measurement issued by the Central Bank of Egypt's rules issued on 16 December, 2008, its explanatory instructions and the prevailing Egyptian laws.

28 November 2017
Cairo


BAKER TILLY
WALID ABDEL GHAFAR & CO.
PUBLIC ACCOUNTANTS & CONSULTANTS

Tarek Salah
Tarek Salah

Baker Tilly
Public Accountants & Consultants



Allied for Accounting and Auditing
Public Accountants & Consultants


Emad Ali Hassan Abu Ghazala
Emad ALY Hassan
Accountability State Authority

HOUSING AND DEVELOPMENT BANK (JOINT STOCK COMPANY)

CONSOLIDATED FINANCIAL POSITION FOR THE PERIOD ENDED 30 SEPTEMBER 2017

	Note No.	30 September 2017 EGP	31 December 2016 EGP
ASSETS			
Cash and balances with central bank of Egypt	(16)	4,820,559,582	2,162,978,341
Due from banks	(17)	14,189,462,698	3,471,060,892
Treasury bills	(18)	12,859,198,114	9,032,922,171
Financial investment held for trading	(19)	1,455,795,808	2,408,647,887
Loans and advances to customers	(20)	11,244,006,811	9,313,556,225
Financial investments			
- Available for sale	(21)	54,939,234	54,939,234
- Held to maturity	(21)	2,319,776,337	2,430,414,227
Financial investments in subsidiaries	(22)	1,197,109,220	1,131,849,851
Housing projects	(23)	1,857,029,890	1,984,313,608
Real estate investments	(24)	120,205,586	125,288,463
Intangible assets	(25)	47,253,840	53,669,168
Other assets	(26)	1,600,596,714	1,548,850,875
Fixed assets	(27)	409,871,966	332,231,976
TOTAL ASSETS		52,175,805,800	34,050,722,918
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks	(28)	271,261,070	670,975,779
Customers' deposits	(29)	22,321,676,314	13,448,090,739
Other loans	(30)	3,766,971,605	2,807,537,352
Dividends payable		206,397	305,426
Other Liabilities	(31)	21,155,686,546	13,184,851,168
Provisions	(32)	341,317,880	213,649,701
Current Income tax obligations		85,139,069	149,506,983
Deferred tax	(33)	3,582,998	2,518,341
Retirement benefit obligations	(34)	29,920,370	31,691,371
TOTAL LIABILITIES		47,975,762,249	30,509,126,860
EQUITY			
Issued and paid-up-capital	(35)	1,265,000,000	1,265,000,000
Reserves	(36)	1,197,484,463	897,000,164
Retained earnings		1,666,544,042	1,313,775,376
TOTAL SHAREHOLDERS' EQUITY		4,129,028,505	3,475,775,540
Non-controlling interest		71,015,046	65,820,518
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		52,175,805,800	34,050,722,918


 Mahmoud Abd-Elaziz El-Mogher
Chief Financial Officer


 Fathy El-Sebai Mansour
Chairman & Managing Director

- The accompanying notes, from (1) to (43) form an integral part of the separate financial statements and to be read therewith.
- Audit report attached