

**FIRST SUPPLEMENT DATED 10 SEPTEMBER 2018
TO THE BASE PROSPECTUS DATED 10 APRIL 2018**



AKCB FINANCE LIMITED

(incorporated as an exempted company in the Cayman Islands with limited liability)

U.S.\$2,500,000,000

**Euro Medium Term Note Programme
unconditionally and irrevocably guaranteed by**

AL KHALIJ COMMERCIAL BANK (al khaliji) P.Q.S.C.

(a public Qatari shareholding company originally incorporated with registration number 34548 under the Commercial Companies Law No. (5) of 2002 as replaced by the Commercial Companies Law No. (11) of 2015)

This base prospectus supplement (the "**Supplement**") to the base prospectus dated 10 April 2018 (the "**Base Prospectus**"), which together with the Base Prospectus comprises a base prospectus for the purposes of the Prospectus Directive (as defined below), constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC, as amended (which includes the amendments made by the Directive 2010/73/EU) (the "**Prospectus Directive**") and is prepared in connection with the U.S.\$2,500,000,000 Euro Medium Term Note Programme of AKCB Finance Limited (the "**Issuer**"), which is unconditionally and irrevocably guaranteed by Al Khalij Commercial Bank (al khaliji) P.Q.S.C. (the "**Guarantor**") (the "**Programme**"). Unless otherwise defined herein, terms defined in the Base Prospectus shall have the same meaning when used in this Supplement. This Supplement is supplemental to, forms part of and must be read and construed in conjunction with, the Base Prospectus and, to the extent inconsistent therewith, replaces the information about the Issuer and the Guarantor contained in the Base Prospectus.

This Supplement has been approved by the Central Bank of Ireland (the "**Central Bank**") as competent authority under the Prospectus Directive. The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and European Union law pursuant to the Prospectus Directive. This Supplement will be published on the website of the Irish Stock Exchange plc trading as Euronext Dublin at www.ise.ie.

The purpose of this Supplement is to (a) incorporate by reference updated financial information of the Guarantor in the form of its unaudited interim condensed consolidated financial statements as at and for the six month period ended 30 June 2018; (b) provide updated disclosure in respect of recent developments in the Guarantor's business; and (c) include a new "Significant/Material Change" statement.

IMPORTANT NOTICES

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Supplement. To the best of the knowledge of each of the Issuer and the Guarantor, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

To the extent that there is any inconsistency between: (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement; and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new fact, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of the notes issued under the Programme ("**Notes**") that has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

An investor which has agreed, prior to the date of publication of this Supplement, to purchase or subscribe for Notes may withdraw its acceptance before the end of the period of two working days beginning with the first working day after the date on which this Supplement is published in accordance with the Prospectus Directive.

This Supplement does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Guarantor or any Dealers to subscribe for, or purchase, any Notes.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and, subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons (as defined in Regulation S under the Securities Act).

None of the Dealers or Arrangers make any representation, express or implied, or accept any responsibility for the contents hereof or any information incorporated by reference into this Supplement.

UPDATES TO THE BASE PROSPECTUS

With effect from the date of this Supplement the information appearing in, or incorporated by reference into, the Base Prospectus shall be supplemented by the information set out as follows:

INFORMATION INCORPORATED BY REFERENCE

A copy of the unaudited condensed consolidated financial statements of the Guarantor for the six months ended 30 June 2018 (the "**H1 2018 Financial Statements**") and the auditors' review report thereon has been filed with the Central Bank and by virtue of this Supplement, are hereby incorporated into, and form part of, the Base Prospectus.

For ease of reference, the table below sets out the relevant page references for the H1 2018 Financial Statements:

The independent auditors' review report	pages 1-2
Interim condensed consolidated statement of financial position	page 3
Interim condensed consolidated statement of income	page 4
Interim condensed consolidated statement of comprehensive income	page 5
Interim condensed consolidated statement of changes in equity	page 6
Interim condensed consolidated statement of cash flows	page 7
Notes to the interim condensed consolidated financial statements.....	pages 8-26

A copy is also available at

[https://www.alkhaliji.com/web/assets/site/pdf/Financial%20Statements%20H1%202018%20\(English%20Signed\).pdf](https://www.alkhaliji.com/web/assets/site/pdf/Financial%20Statements%20H1%202018%20(English%20Signed).pdf).

CHANGE OF RATINGS

On 16 July 2018, Moody's affirmed the Guarantor's long-term credit rating of Aa3 and changed the outlook from negative to stable. Any references in the Base Prospectus to Moody's "negative outlook" should be read as "stable outlook".

DISCLOSURE

On page 83 of the Base Prospectus, the following paragraph shall be deemed to be added:

Recent Developments

On 14 May 2018, the Guarantor announced that it is undertaking an evaluation of its shareholding in its fully owned subsidiary, Al Khaliji France, and is engaged with interested third parties in respect of a possible disposal of 100 per cent. of its shares. Discussions remain at a very preliminary stage and there is no certainty that any transaction will be entered into. It is proposed that any transaction would be effected by way of a private offering.

SIGNIFICANT/MATERIAL CHANGE

The second paragraph under the heading "Significant/Material Change" on page 135 of the Base Prospectus shall be deemed to be deleted and replaced with the following:

"There has been no significant change in the financial or trading position of the Guarantor or the Group since 30 June 2018 and there has been no material adverse change in the prospects of the Guarantor or the Group since 31 December 2017."