

**ASIAN INFRASTRUCTURE INVESTMENT BANK  
AIIB PROJECT PREPARATION SPECIAL FUND**

**CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017  
(UNAUDITED)**

# CONTENTS

## CONDENSED INTERIM FINANCIAL STATEMENTS

Condensed Statement of Comprehensive Income .....	1
Condensed Statement of Financial Position .....	2
Condensed Statement of Changes in Contributors' Resources.....	3
Condensed Statement of Cash Flows .....	4
Notes to Condensed Interim Financial Statements.....	5

**AIB PROJECT PREPARATION SPECIAL FUND**  
**Condensed Statement of Comprehensive Income**  
**For the nine months ended September 30, 2017 (unaudited)**

<i>In thousands of US Dollars</i>	<b>For the period from July 1, 2017 to September 30, 2017 (unaudited)</b>	<b>For the period from January 1, 2017 to September 30, 2017 (unaudited)</b>	<b>For the period from July 1, 2016 to September 30, 2016 (unaudited)</b>	<b>For the period from June 24, 2016 to September 30, 2016 (unaudited)</b>
Interest income	136	306	-	-
General and administrative expenses	-	(200)	-	-
<b>Net profit and total comprehensive income for the period</b>	<b>136</b>	<b>106</b>	<b>-</b>	<b>-</b>
<b>Attributable to: Contributors</b>	<b>136</b>	<b>106</b>	<b>-</b>	<b>-</b>

The accompanying notes are an integral part of these condensed interim financial statements.

**AIIB PROJECT PREPARATION SPECIAL FUND**  
**Condensed Statement of Financial Position**  
**As at September 30, 2017 (unaudited)**

<i>In thousands of US Dollars</i>	<b>September 30, 2017 (unaudited)</b>	<b>December 31, 2016 (audited)</b>
<b>Assets</b>		
Cash and cash equivalents	29,980	9,900
Term deposits	-	-
<b>Total assets</b>	<b>29,980</b>	<b>9,900</b>
<b>Liabilities</b>		
Other liabilities	-	26
<b>Total liabilities</b>	<b>-</b>	<b>26</b>
<b>Contributors' resources</b>		
Contribution	30,000	10,000
Accumulated loss	(20)	(126)
<b>Total contributors' resources</b>	<b>29,980</b>	<b>9,874</b>
<b>Total liabilities and contributors' resources</b>	<b>29,980</b>	<b>9,900</b>

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**AIB PROJECT PREPARATION SPECIAL FUND**  
**Condensed Statement of Changes in Contributors' Resources**  
**For the nine months ended September 30, 2017 (unaudited)**

<i>In thousands of US Dollars</i>	<b>Contribution</b>	<b>Accumulated loss</b>	<b>Total</b>
<b>June 24, 2016</b>	-	-	-
Contribution	-	-	-
Total comprehensive income for the period	-	-	-
<b>September 30, 2016</b>	-	-	-
<b>January 1, 2017</b>	<b>10,000</b>	<b>(126)</b>	<b>9,874</b>
Contribution	20,000	-	20,000
Total comprehensive income for the period	-	106	106
<b>September 30, 2017</b>	<b>30,000</b>	<b>(20)</b>	<b>29,980</b>

The accompanying notes are an integral part of these condensed interim financial statements.

**AIIB PROJECT PREPARATION SPECIAL FUND**  
**Condensed Statement of Cash Flows**  
**For the nine months ended September 30, 2017 (unaudited)**

<i>In thousands of US Dollars</i>	<b>For the period from January 1, 2017 to September 30, 2017 (unaudited)</b>	<b>For the period from June 24, 2016 to September 30, 2016 (unaudited)</b>
<b>Cash flows from operating activities</b>		
Net profit for the period	106	-
Adjustments for:		
Interest income from term deposits	(59)	-
Decrease in other liabilities	(26)	-
<b>Net cash used in operating activities</b>	<b>21</b>	<b>-</b>
<b>Cash flows from investing activities</b>		
Interest income from term deposits	59	-
<b>Net cash used in investing activities</b>	<b>59</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Contribution received	20,000	-
<b>Net cash flows from financing activities</b>	<b>20,000</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>20,080</b>	<b>-</b>
Cash and cash equivalents at the beginning of period	9,900	-
<b>Cash and cash equivalents at the end of the period</b>	<b>29,980</b>	<b>-</b>

The accompanying notes are an integral part of these condensed interim financial statements.

**AIIB PROJECT PREPARATION SPECIAL FUND**  
**Notes to Condensed Interim Financial Statements**  
**For the nine months ended September 30, 2017 (unaudited)**

**1 GENERAL INFORMATION**

On June 24, 2016, the AIIB Project Preparation Special Fund (the “Special Fund”) was established in accordance with Article 17.1, Articles of Agreement (the “AOA”) of Asian Infrastructure Investment Bank (the “Bank” or “AIIB”). As of September 30, 2017, the Ministry of Finance of the People’s Republic of China and the Republic of Korea have each signed a Contribution Agreement with the Bank.

The Special Fund is established as a multi-donor fund, which is open to contributions by all Bank members and others (the “Contributors”). The primary purpose of the Special Fund is to support and facilitate, on a concessional basis, the preparation of projects of low and middle income countries. The resources from the Contributors are accepted, held, managed, administered, used, committed, expended or otherwise disposed of by the Bank in accordance with the AOA, the Rules and Regulations of the Special Fund and the Contribution Agreements.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation**

These condensed interim financial statements for the nine months ended September 30, 2017 have been prepared in accordance with International Financial Reporting Standard: IAS 34 *Interim Financial Reporting*.

**2.2 Financial statement preparation**

These condensed interim financial statements have been prepared in accordance with the same accounting policies adopted in the Special Fund’s audited financial statements for the period from June 24, 2016 (date of the establishment of the Special Fund) to December 31, 2016.

**2.3 Comparatives**

These condensed interim financial statements have been prepared with a comparative period from June 24, 2016 to September 30, 2016.