

AMONG THE TOP REGIONAL BANKING GROUPS

LBP 71,616 billion in total assets as at 30/6/2019

consolidated activity highlights

IN LEBANESE POUNDS

AT END-JUNE 2019

- LBP 47,925 billion of total customers' deposits
- LBP 18,263 billion of total loans to customers
- LBP 5,744 billion of total shareholders' equity, of which LBP 4,613 billion of common shareholders' equity
- LBP 377 billion of net profits in the first half of 2019, of which LBP 265 billion of net profits generated from entities operating in Lebanon

Main Financial Indicators

- 84.3% of primary liquidity to customers' deposits ratio
- 19.3% of total capital adequacy ratio as per Basel III, of which 11.9% of CET1 ratio
- 7.1% of gross credit-impaired loans to gross loans ratio, covered up to 100% by specific provisions and real guarantees
- 2.1% of allowances for expected credit losses on performing loans (Stage 1 & 2) to net loans ratio post adoption of IFRS 9
- 14.3% of return on average common equity

A UNIVERSAL AND INNOVATIVE BANKING OFFERING
CATERING TO 1.1 MILLION CUSTOMERS SERVED THROUGH
203 BRANCHES AND 6,200 EMPLOYEES IN 11 COUNTRIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	30/6/2019 LBP Million	31/12/2018 LBP Million
ASSETS		
Cash and balances with central banks	28,252,378	24,793,682
Due from banks and financial institutions	2,118,036	3,843,626
Due from head office, sister, related banks and financial institutions	-	-
Loans to banks and financial institutions and reverse repurchase agreements	230,650	266,645
Financial assets given as collateral	-	-
Derivative financial instruments	309,398	419,749
Shares and participations at fair value through profit and loss	62,667	107,030
Debt instruments and other similar financial assets at fair value through profit and loss	321,467	113,092
Of which: net loans and advances at fair value through profit and loss	40,784	37,233
Shares and participations at fair value through other comprehensive income	64,071	73,645
Debt instruments and other similar financial assets at fair value through other comprehensive income	1,162,606	1,183,790
Net loans and advances to customers at amortised cost	18,107,064	19,846,966
Net loans and advances to related parties at amortised cost ⁽¹⁾	155,930	153,671
Debtors by acceptances	844,431	414,625
Debt instruments classified at amortised cost ⁽²⁾	17,831,748	18,003,797
Investments in associates	140,998	144,865
Assets taken in settlement of debts	280,304	193,721
Property and equipment	1,020,642	877,701
Intangible fixed assets	67,791	68,476
Non-current assets held for sale	-	-
Other assets	603,528	608,431
Goodwill	42,415	42,413
TOTAL ASSETS	71,616,124	71,155,925

⁽¹⁾ Loans granted to related parties against cash collateral amounted to LBP 110 billion.

⁽²⁾ Includes an amount of LBP 1,028 billion with risk ceded to customers.

	30/6/2019 LBP Million	31/12/2018 LBP Million
OFF-BALANCE SHEET		
Financing commitments		
- Financing commitments given to banks and financial institutions	426,672	420,241
- Financing commitments given to customers	4,598,539	4,756,412
Bank guarantees		
- Guarantees given to banks and financial institutions	92,474	94,674
Of which: credit derivatives	-	-
- Guarantees received from banks and financial institutions	299,097	337,393
Of which: credit derivatives	-	-
- Guarantees given to customers	1,969,534	2,049,663
- Guarantees received from customers	34,274,002	34,394,371
Financial notes commitments		
- Financial notes commitments to be received	-	-
Of which: financial instruments sold with a buy back option	-	-
- Financial notes commitments to be delivered	-	-
Of which: financial instruments purchased with a buy back option	-	-
Foreign currencies forwards		
- Foreign currencies to receive	8,161,594	7,830,409
- Foreign currencies to deliver	8,186,210	7,861,941
Commitments on term financial instruments	10,151,411	12,173,399
Other commitments		
Claims from legal cases		
Fiduciary accounts	3,832,285	3,097,179
- Under specific instructions	3,738,248	3,027,837
- Under discretionary investments	94,037	69,342
Assets under management	14,906,490	15,230,861
Mutual funds	113,745	61,666
Structured financial products		
Engagement unlikely to be executed	-	-
Bad debts written off during the year	2,120	122,028

	30/6/2019 LBP Million	31/12/2018 LBP Million
LIABILITIES		
Due to central banks	12,376,940	11,919,990
Due to banks and financial institutions and repurchase agreement	1,789,820	2,184,991
Due to head office, sister, related banks and financial institutions	-	-
Derivative financial instruments	419,392	408,253
Financial liabilities at fair value through profit and loss	-	-
Of which: deposits at fair value through profit and loss	-	-
Customers' deposits	47,580,669	47,777,071
Deposits from related parties	343,849	396,114
Debt issued and other borrowed funds	222,168	59,258
Engagements by acceptances	844,431	414,625
Other liabilities	713,198	559,630
Provisions for risks and charges	372,246	342,794
Subordinated loans and similar debts	1,209,472	1,234,431
Non-current liabilities held for sale	-	-
TOTAL LIABILITIES	65,872,185	65,297,157
Shareholders' Equity - Group share		
Share capital - Common shares	667,581	667,581
Share capital - Preferred shares	10,020	10,020
Issue premium - Common shares	883,582	883,582
Issue premium - Preferred shares	894,480	894,480
Subsidiary shares warrants	-	12,629
Share capital and cash contribution to capital	72,586	72,586
Non-distributable reserves	2,020,178	1,919,796
Distributable reserves	432,227	430,685
Treasury shares	(9,273)	(9,073)
Retained earnings	1,459,818	1,249,915
Proposed dividends	-	-
Revaluation reserve of real estate	357,137	357,137
Other components of equity	(28,522)	(33,276)
Foreign currency translation reserve	(1,588,289)	(1,567,917)
Result of the period	376,757	753,260
Shareholders' equity - Group share	5,548,282	5,641,405
Non-controlling interest	195,657	217,363
Total shareholders' equity	5,743,939	5,858,768
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	71,616,124	71,155,925



CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	30/6/2019 LBP Million	30/6/2018 LBP Million
Interest and similar income	2,613,876	2,273,390
Less: tax on interest income	(89,838)	(64,315)
Interest and similar income, net of tax	2,524,038	2,209,075
Interest and similar expense	(1,687,764)	(1,331,590)
Net interest margin	836,274	877,485
Fee and commission income	181,081	186,902
Fee and commission expense	(36,330)	(28,196)
Net fee and commission income	144,751	158,706
Net gain on financial assets or liabilities at fair value through profit and loss	40,643	49,052
Of which: interest income	2,501	7,296
Net gain on financial investments	2,936	15,314
Other operating income	5,373	15,174
Total operating income	1,029,977	1,115,731
Net provisions for credit losses	(105,641)	(89,979)
Net operating income	924,336	1,025,752
Personnel expenses	(264,724)	(284,613)
Other operating expenses	(142,739)	(182,718)
Depreciation of property and equipment	(43,582)	(31,506)
Amortisation of intangible assets	(10,690)	(11,683)
Impairment of goodwill and investments	-	-
Total operating expenses	(461,735)	(510,520)
Operating profit	462,601	515,232
Share of profit of associates under equity method	8,245	1,087
Net gain (loss) on disposal of other assets	(1,027)	213
Profit before tax	469,819	516,532
Income tax	(92,407)	(116,458)
Profit after tax	377,412	400,074
Result of discontinued operations, net of tax	-	-
Profit for the period	377,412	400,074
Minority share profit for the period	655	14,413
Group share profit for the period	376,757	385,661
Basic earnings per share LBP	869	897
Basic earnings per share from continuing operations LBP	869	897

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- AUDI CAPITAL (KSA) cjsc
- BANK AUDI LLC (Qatar)
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