

AMONG THE TOP REGIONAL BANKING GROUPS

USD 47.5 billion in total assets as at 30/6/2019

consolidated activity highlights

IN US DOLLARS

AT END-JUNE 2019

- USD 31.8 billion of total customers' deposits
- USD 12.1 billion of total loans to customers
- USD 3.8 billion of total shareholders' equity, of which USD 3.1 billion of common shareholders' equity
- USD 250 million of net profits in the first half of 2019, of which USD 176 million 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 USD Thousands	31/12/2018 USD Thousands
ASSETS		
Cash and balances with central banks	18,741,213	16,446,887
Due from banks and financial institutions	1,404,999	2,549,669
Due from head office, sister, related banks and financial institutions	-	-
Loans to banks and financial institutions and reverse repurchase agreements	153,002	176,879
Financial assets given as collateral	-	-
Derivative financial instruments	205,239	278,440
Shares and participations at fair value through profit and loss	41,570	70,998
Debt instruments and other similar financial assets at fair value through profit and loss	213,247	75,019
Of which: net loans and advances at fair value through profit and loss	27,054	24,699
Shares and participations at fair value through other comprehensive income	42,501	48,853
Debt instruments and other similar financial assets at fair value through other comprehensive income	771,215	785,267
Net loans and advances to customers at amortised cost	12,011,319	13,165,483
Net loans and advances to related parties at amortised cost ⁽¹⁾	103,436	101,938
Debtors by acceptances	560,153	275,041
Debt instruments classified at amortised cost ⁽²⁾	11,828,688	11,942,818
Investments in associates	93,531	96,096
Assets taken in settlement of debts	185,939	128,505
Property and equipment	677,043	582,223
Intangible fixed assets	44,969	45,423
Non-current assets held for sale	-	-
Other assets	400,350	403,603
Goodwill	28,136	28,135
TOTAL ASSETS	47,506,550	47,201,277

⁽¹⁾ Loans granted to related parties against cash collateral amounted to USD 73 million.

⁽²⁾ Includes an amount of USD 682 million with risk ceded to customers.

	30/6/2019 USD Thousands	31/12/2018 USD Thousands
OFF-BALANCE SHEET		
Financing commitments		
- Financing commitments given to banks and financial institutions	283,033	278,767
- Financing commitments given to customers	3,050,441	3,155,165
Bank guarantees		
- Guarantees given to banks and financial institutions	61,343	62,802
Of which: credit derivatives	-	-
- Guarantees received from banks and financial institutions	198,406	223,810
Of which: credit derivatives	-	-
- Guarantees given to customers	1,306,490	1,359,644
- Guarantees received from customers	22,735,657	22,815,503
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	5,413,992	5,194,301
- Foreign currencies to deliver	5,430,322	5,215,218
Commitments on term financial instruments	6,733,937	8,075,223
Other commitments		
Claims from legal cases		
Fiduciary accounts	2,542,147	2,054,514
- Under specific instructions	2,479,767	2,008,516
- Under discretionary investments	62,380	45,998
Assets under management	9,888,219	10,103,390
Mutual funds	75,453	40,906
Structured financial products		
Engagement unlikely to be executed	-	-
Bad debts written off during the year	1,406	80,947

	30/6/2019 USD Thousands	31/12/2018 USD Thousands
LIABILITIES		
Due to central banks	8,210,242	7,907,124
Due to banks and financial institutions and repurchase agreement	1,187,277	1,449,414
Due to head office, sister, related banks and financial institutions	-	-
Derivative financial instruments	278,203	270,815
Financial liabilities at fair value through profit and loss	-	-
Of which: deposits at fair value through profit and loss	-	-
Customers' deposits	31,562,633	31,692,916
Deposits from related parties	228,092	262,762
Debt issued and other borrowed funds	147,375	39,309
Engagements by acceptances	560,153	275,041
Other liabilities	473,100	371,229
Provisions for risks and charges	246,929	227,393
Subordinated loans and similar debts	802,303	818,860
Non-current liabilities held for sale	-	-
TOTAL LIABILITIES	43,696,307	43,314,863
Shareholders' Equity - Group share		
Share capital - Common shares	442,840	442,840
Share capital - Preferred shares	6,647	6,647
Issue premium - Common shares	586,124	586,124
Issue premium - Preferred shares	593,353	593,353
Subsidiary shares warrants	-	8,377
Share capital and cash contribution to capital	48,150	48,150
Non-distributable reserves	1,340,085	1,273,497
Distributable reserves	286,718	285,695
Treasury shares	(6,152)	(6,019)
Retained earnings	968,370	829,131
Proposed dividends	-	-
Revaluation reserve of real estate	236,907	236,907
Other components of equity	(18,920)	(22,073)
Foreign currency translation reserve	(1,053,590)	(1,040,078)
Result of the period	249,922	499,675
Shareholders' equity - Group share	3,680,454	3,742,226
Non-controlling interest	129,789	144,188
Total shareholders' equity	3,810,243	3,886,414
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	47,506,550	47,201,277



CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	30/6/2019 USD Thousands	30/6/2018 USD Thousands
Interest and similar income	1,733,915	1,508,053
Less: tax on interest income	(59,594)	(42,663)
Interest and similar income, net of tax	1,674,321	1,465,390
Interest and similar expense	(1,119,578)	(883,310)
Net interest margin	554,743	582,080
Fee and commission income	120,118	123,981
Fee and commission expense	(24,099)	(18,704)
Net fee and commission income	96,019	105,277
Net gain on financial assets or liabilities at fair value through profit and loss	26,961	32,539
Of which: interest income	1,659	4,840
Net gain on financial investments	1,948	10,159
Other operating income	3,564	10,066
Total operating income	683,235	740,121
Net provisions for credit losses	(70,078)	(59,688)
Net operating income	613,157	680,433
Personnel expenses	(175,604)	(188,798)
Other operating expenses	(94,686)	(121,206)
Depreciation of property and equipment	(28,910)	(20,900)
Amortisation of intangible assets	(7,091)	(7,750)
Impairment of goodwill and investments	-	-
Total operating expenses	(306,291)	(338,654)
Operating profit	306,866	341,779
Share of profit of associates under equity method	5,469	721
Net gain (loss) on disposal of other assets	(681)	141
Profit before tax	311,654	342,641
Income tax	(61,298)	(77,253)
Profit after tax	250,356	265,388
Result of discontinued operations, net of tax	-	-
Profit for the period	250,356	265,388
Minority share profit for the period	434	9,561
Group share profit for the period	249,922	255,827
Basic earnings per share USD	0.58	0.60
Basic earnings per share from continuing operations USD	0.58	0.60

HEADQUARTERS

BANK AUDI sal
Bank Audi Plaza, Bab Idriss
P.O.Box: 11-2560 Beirut - LEBANON
Phone: +961 1 994000 Fax: +961 1 990555
contactus@bankaudi.com.lb - bankaudigroup.com

Country Management Lebanon

Bank Audi Palladium, Bab Idriss
P.O. Box: 11-2560 Beirut - LEBANON
Phone: +961 1 994000 Fax: +961 1 990555
contactus@bankaudi.com.lb - bankaudi.com.lb

M1 Building, Bab Idriss
P.O. Box: 11-2560 Beirut - LEBANON
Phone: +961 1 994000 Fax: +961 1 990555
contactus@bankaudi.com.lb - bankaudi.com.lb

DOMESTIC PRESENCE

- **AUDI INVESTMENT BANK sal** Phone: +961 1 994000 Fax: +961 1 999406 - contactus@bankaudiib.com - bankaudigroup.com
- **AUDI PRIVATE BANK sal** Phone: +961 1 954800/954900 Fax: +961 1 954880 - contactus.lebanon@bankaudiipb.com - bankaudiipb.com
- **Solifac sal** Phone: +961 1 209200 Fax: +961 1 209205

FOREIGN PRESENCE

- **BANQUE AUDI (SUISSE) SA** Phone: +41 22 704 11 11 Fax: +41 22 704 11 00 - contactus.gva@bankaudiipb.com - bankaudiipb.com
- **Beirut Representative Office** Phone: +961 1 977 544 Fax: +961 1 980 535
- **BANK AUDI FRANCE sa** Phone: +33 1 53 83 50 00 Fax: +33 1 42 56 09 74 - contactus@bankaudi.fr - bankaudi.fr
- **BANK AUDI sal - JORDAN BRANCHES** Phone: +962 6 4604000 Fax: +962 6 4680015 - contactus@bankaudi.com.jo - bankaudi.com.jo
- **BANK AUDI sae (Egypt)** Phone: +20 2 35343300 Fax: +20 2 35362120 - contactus@bankaudi.com.eg - bankaudi.com.eg
- **AUDI CAPITAL (KSA) cjsc** Phone: +966 11 2199300 Fax: +966 11 4627942 - contactus@audicapital.com - audicapital.com
- **BANK AUDI LLC (Qatar)** Phone: +974 44967365 Fax: +974 44967373 - contactus.qatar@bankaudiipb.com - bankaudiipb.com
- **AUDI CAPITAL GESTION SAM** Phone: +377 97 97 65 11 Fax: +377 97 97 65 19 - contactus.mc@bankaudiipb.com - bankaudiipb.com
- **ODEA BANK A.Ş.** Phone: +90 212 3048444 Fax: +90 212 3048445 - info@odeabank.com.tr - odeabank.com.tr
- **BANK AUDI sal - IRAQ BRANCHES** Phone: +964 772 9768900 - contactus@bankaudi.com.iq - bankaudi.com.iq
- **BANK AUDI sal - ABU DHABI REP. OFFICE** Phone: +971 2 6331180 Fax: +971 2 6336044 - contactus.abu-dhabi@bankaudiipb.com - bankaudiipb.com