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**A LEADING POSITIONING
IN MAIN COUNTRIES OF
PRESENCE**

USD 41.9 billion in total
assets as at 30/06/2016
of which **48%** from entities
outside Lebanon

Bank Audi

**consolidated
activity highlights**

IN US DOLLARS

AT END-JUNE 2016

Diversified Sources of Assets and Net Profits

- USD 35.0 billion of total customers' deposits
- USD 18.5 billion of total loans to customers
- USD 3.3 billion of total shareholders' equity
- USD 226 million of net profits in the first half of 2016, growing by 11.7% relative to the first half of 2015, and of which 51% from entities outside Lebanon

Main Financial Indicators

- 45.9% of primary liquidity to customers' deposits
- 13.9% of capital adequacy ratio as per Basel III
- 3.1% only of gross doubtful loans to gross loans ratio, reaching 0.9% when deducting specific loan loss reserves, excluding collective provisions
- 14.9% of return on average common equity

A UNIVERSAL AND INNOVATIVE BANKING OFFERING THROUGH
12 BANKS AND 3 FINANCIAL INSTITUTIONS IN 13 COUNTRIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	30/06/16 USD Thousands	31/12/15 USD Thousands
ASSETS		
Cash and balances with central banks	9,630,691	9,124,326
Due from banks and financial institutions	1,335,007	1,793,802
Loans to banks and financial institutions and reverse repurchase agreements	1,236,101	1,715,126
Due from head office, sister, related banks and financial institutions	-	-
Financial assets given as collateral	-	-
Derivative financial instruments	216,094	176,360
Shares and participations at fair value through profit and loss	34,735	39,331
Debt instruments and other similar financial assets at fair value through profit and loss	673,686	215,211
Of which: net advances and loans at fair value through profit and loss	20,286	14,716
Net loans and advances to customers at amortised cost ⁽¹⁾	18,315,106	17,786,274
Net loans and advances to related parties at amortised cost ⁽²⁾	150,438	142,321
Debtors by acceptances	152,722	159,605
Debt instruments classified at amortised cost ⁽³⁾	8,794,498	9,807,346
Shares and participations at fair value through other comprehensive income	132,562	95,771
Investments in associates	9,621	9,279
Assets taken in settlement of debts	53,920	48,278
Property and equipment	630,415	639,097
Intangible fixed assets	60,361	67,240
Non-current assets held for sale	-	-
Other assets	380,912	312,111
Goodwill	130,661	138,928
TOTAL ASSETS	41,937,530	42,270,406

⁽¹⁾ After deduction of provisions amounting to USD (000) 528,509 from loans and advances to customers as per IAS 39, of which USD (000) 194,720 representing provisions on collective assessment.

⁽²⁾ Loans granted to related parties against cash collateral amounted to USD (000) 112,092.

⁽³⁾ Includes an amount of USD 1,717million with risk ceded to customers.

	30/06/16 USD Thousands	31/12/15 USD Thousands
OFF-BALANCE SHEET		
Financing commitments		
- Financing commitments given to banks and financial institutions	335,061	363,728
- Financing commitments given to customers	3,566,135	3,464,296
Bank guarantees		
- Guarantees given to banks and financial institutions	125,378	153,873
Of which: credit derivatives	-	-
- Guarantees received from banks and financial institutions	1,195,268	1,727,121
Of which: credit derivatives	-	-
- Guarantees given to customers	1,684,874	1,686,950
- Guarantees received from customers	22,995,193	24,024,859
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	5,553,548	4,775,989
- Foreign currencies to deliver	5,566,777	4,786,598
Commitments on term financial instruments	8,662,906	6,367,981
Other commitments		
Claims from legal cases		
Fiduciary accounts	1,372,355	1,495,955
- Under specific instructions	1,262,754	1,302,813
- Under discretionary investments	109,601	193,142
Assets under management	8,214,684	8,082,929
Mutual funds	215,009	269,997
Structured financial products		
Engagement unlikely to be executed		
Bad debts written off during the year	7,960	22,771

	30/06/16 USD Thousands	31/12/15 USD Thousands
LIABILITIES		
Due to central banks	461,051	378,014
Due to banks and financial institutions and repurchase agreement	1,610,673	1,552,614
Due to head office, sister, related banks and financial institutions	-	-
Financial assets taken as a guarantee	-	-
Derivative financial instruments	130,674	87,031
Financial liabilities at fair value through profit and loss	-	-
Of which: deposits at fair value through profit and loss	-	-
Customers' deposits at amortised cost	34,473,297	35,151,248
Deposits from related parties at amortized cost	519,985	457,785
Debt issued and other borrowed funds	65,525	53,302
Engagements by acceptances	152,722	159,605
Other liabilities	510,872	383,414
Provisions for risks and charges	104,494	114,137
Subordinated loans and similar debts	645,890	645,857
Non-current liabilities held for sale	-	-
TOTAL LIABILITIES	38,675,183	38,983,007
Shareholders' Equity - Group Share		
Share capital - Common shares	439,127	439,127
Share capital - Preferred shares	4,119	4,119
Issue premium - Common shares	586,124	586,124
Issue premium - Preferred shares	370,881	370,881
Subsidiary shares warrants	9,327	11,373
Share capital and cash contribution to capital	48,150	48,150
Non-distributable reserves	901,850	782,233
Distributable reserves	426,319	426,445
Treasury shares	(506)	-
Retained earnings	534,811	448,110
Proposed dividends	-	-
Revaluation reserve of real estate	239,130	239,130
Reserve on revaluation of financial assets at fair value through other comprehensive income	22,251	24,021
Remeasurement actuarial (gain)/Loss on defined benefit plan	(3,709)	(3,709)
Share of associates' other comprehensive income under equity method	3,016	3,016
Foreign currency translation reserve	(548,376)	(486,036)
Net (loss) gain on hedge of net investments in foreign entities	(25,922)	(35,258)
Result of the period	213,617	390,015
Shareholders' equity - Group share	3,220,209	3,247,741
Non-controlling interest	42,138	39,658
Total shareholders' equity	3,262,347	3,287,399
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	41,937,530	42,270,406



Best Bank for Wealth Management
in the Middle East
Audi Private Bank sal



CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	30/06/16 USD Thousands	30/06/15 USD Thousands
Interest and similar income	1,266,339	1,214,061
Interest and similar expense	(767,702)	(757,684)
Net interest margin	498,637	456,377
Fee and commission income	165,787	155,410
Fee and commission expense	(36,155)	(29,684)
Net Fee and commission income	129,632	125,726
Net gain on financial assets or liabilities at fair value through profit and loss	84,903	20,695
Of which: interest income	16,995	9,149
Net gain on financial investments	79,937	67,110
Other operating income	18,258	5,192
Total operating income	811,367	675,100
Net provisions for credit losses	(98,052)	(61,469)
Net operating income	713,315	613,631
Personnel expenses	(235,412)	(204,701)
Other operating expenses	(159,981)	(123,282)
Depreciation of property and equipment	(25,753)	(24,164)
Amortisation of intangible assets	(11,441)	(9,016)
Impairment of goodwill	-	-
Total operating expenses	(432,587)	(361,163)
Operating profit	280,728	252,468
Share of profit of associates under equity method	659	1,397
Net gain (loss) on disposal of other asset	(40)	48
Profit before tax	281,347	253,913
Income tax	(55,692)	(51,819)
Profit after tax	225,655	202,094
Result of discontinued operations, net of tax	-	-
Profit for the current period	225,655	202,094
Minority share profit for the current period	12,038	9,234
Group share profit for the current period	213,617	192,860
Basic earnings per share USD	0.51	0.46
Basic earnings per share from continuing operations USD	0.51	0.46

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 - BANK AUDI SYRIA sa
 - BANK AUDI sae (Egypt)
 - ARABEYA ONLINE BROKERAGE
 - NATIONAL BANK OF SUDAN
 - AUDI CAPITAL (KSA) cjsc
 - BANK AUDI LLC (Qatar)
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