

2017

Bank Audi

consolidated activity highlights

IN LEBANESE POUNDS

AT END-MARCH 2017

AMONG TOP REGIONAL BANKING GROUPS

LBP 66,211 billion in total
assets as at 31/3/2017

- LBP 54,219 billion of total customers' deposits
- LBP 25,591 billion of total loans to customers
- LBP 5,717 billion of total shareholders' equity
- LBP 166 billion of net profits in the first quarter of 2017, of which 23% from Odea Bank and 10% from Bank Audi sae (Egypt), raising the contribution of entities outside Lebanon in total profits to 45%

Main Financial Indicators

- 57.7% of primary liquidity to customers' deposits ratio
- 14.6% of capital adequacy ratio as per Basel III, of which 9.1% of Common Equity Tier 1 ratio
- 2.7% only of gross doubtful loans to gross loans ratio, covered up to 103% by specific provisions and real guarantees
- LBP 630 billion of collective provisions, corresponding to 2.5% of net loans
- 13.5% of return on average common equity

A UNIVERSAL AND INNOVATIVE BANKING OFFERING
CATERING TO 1.1 MILLION CUSTOMERS SERVED THROUGH
203 BRANCHES AND 7 THOUSAND EMPLOYEES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	31/3/2017 LBP Million	31/12/2016 LBP Million
ASSETS		
Cash and balances with central banks	17,278,172	18,650,596
Due from banks and financial institutions	3,005,353	3,027,228
Loans to banks and financial institutions and reverse repurchase agreements	2,305,575	2,068,815
Due from head office, sister, related banks and financial institutions	-	-
Financial assets given as collateral	-	-
Derivative financial instruments	381,785	390,138
Shares and participations at fair value through profit and loss	57,404	73,621
Debt instruments and other similar financial assets at fair value through profit and loss	891,996	619,593
Of which: net loans and advances at fair value through profit and loss	46,546	21,898
Net loans and advances to customers at amortised cost ⁽¹⁾	25,397,961	25,732,247
Net loans and advances to related parties at amortised cost ⁽²⁾	193,239	219,193
Debtors by acceptances	204,043	199,156
Debt instruments classified at amortised cost ⁽³⁾	14,664,256	13,990,070
Shares and participations at fair value through other comprehensive income	198,898	193,948
Investments in associates	50,721	13,333
Assets taken in settlement of debts	82,566	81,027
Property and equipment	895,269	881,501
Intangible fixed assets	61,165	64,621
Non-current assets held for sale	-	-
Other assets	500,068	485,295
Goodwill	42,431	41,827
TOTAL ASSETS	66,210,902	66,732,209

⁽¹⁾ After deduction of provisions amounting to LBP 1,055 billion from loans and advances to customers as per IAS 39, of which LBP 630 billion representing provisions on collective assessment.

⁽²⁾ Loans granted to related parties against cash collateral amounted to LBP 148 billion.

⁽³⁾ Includes an amount of LBP 566 billion with risk ceded to customers.

	31/3/2017 LBP Million	31/12/2016 LBP Million
OFF-BALANCE SHEET		
Financing commitments		
- Financing commitments given to banks and financial institutions	657,340	649,916
- Financing commitments given to customers	4,894,258	4,799,560
Bank guarantees		
- Guarantees given to banks and financial institutions	267,317	273,923
Of which: credit derivatives	-	-
- Guarantees received from banks and financial institutions	2,287,062	2,043,361
Of which: credit derivatives	-	-
- Guarantees given to customers	2,470,420	2,512,013
- Guarantees received from customers	35,849,051	35,670,089
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	10,179,076	10,251,741
- Foreign currencies to deliver	10,262,741	10,327,110
Commitments on term financial instruments	13,357,481	12,686,455
Other commitments		
Claims from legal cases	-	-
Fiduciary accounts		
- Under specific instructions	3,525,154	3,407,836
- Under discretionary investments	3,447,211	3,307,051
	77,943	100,785
Assets under management	13,276,234	12,659,104
Mutual funds	122,537	260,859
Structured financial products	-	-
Engagement unlikely to be executed	-	-
Bad debts written off during the year	724	183,991

	31/3/2017 LBP Million	31/12/2016 LBP Million
LIABILITIES		
Due to central banks	1,022,192	2,008,163
Due to banks and financial institutions and repurchase agreement	2,893,047	2,574,005
Due to head office, sister, related banks and financial institutions	-	-
Financial assets taken as a guarantee	-	-
Derivative financial instruments	249,033	272,952
Financial liabilities at fair value through profit and loss	-	-
Of which: deposits at fair value through profit and loss	-	-
Customers' deposits	53,374,437	53,389,218
Deposits from related parties	844,673	813,548
Debt issued and other borrowed funds	-	-
Engagements by acceptances	204,043	199,156
Other liabilities	788,137	769,582
Provisions for risks and charges	140,044	156,592
Subordinated loans and similar debts	978,044	973,535
Non-current liabilities held for sale	-	-
TOTAL LIABILITIES	60,493,650	61,156,751
Shareholders' Equity - Group share		
Share capital - Common shares	661,985	661,985
Share capital - Preferred shares	10,350	10,350
Issue premium - Common shares	883,582	883,582
Issue premium - Preferred shares	931,837	931,837
Subsidiary shares warrants	12,629	12,629
Share capital and cash contribution to capital	72,586	72,586
Non-distributable reserves	1,476,067	1,456,141
Distributable reserves	625,704	624,501
Treasury shares	(90,996)	(94,026)
Retained earnings	1,191,757	875,244
Proposed dividends	347,101	-
Revaluation reserve of real estate	358,779	358,713
Reserve on revaluation of financial assets at fair value through other comprehensive income	36,138	32,154
Remeasurement actuarial (gain)/Loss on defined benefit plan	(4,254)	(4,254)
Share of associates' other comprehensive income under equity method	4,546	4,546
Foreign currency translation reserve	(1,238,062)	(1,206,264)
Net (loss) gain on hedge of net investments in foreign entities	(46,910)	(57,713)
Result of the period	157,101	672,095
Shareholders' equity - Group share	5,389,940	5,234,106
Non-controlling interest	327,312	341,352
Total shareholders' equity	5,717,252	5,575,458
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	66,210,902	66,732,209



CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	31/3/2017 LBP Million	31/3/2016 LBP Million
Interest and similar income	1,012,461	954,363
Interest and similar expense	(612,348)	(587,313)
Net interest margin	400,113	367,050
Fee and commission income	125,438	123,896
Fee and commission expense	(27,265)	(26,750)
Net fee and commission income	98,173	97,146
Net gain on financial assets or liabilities at fair value through profit and loss	(7,141)	23,357
Of which: interest income	12,883	5,895
Net gain on financial investments	1,812	19,955
Other operating income	53,133	13,798
Total operating income	546,090	521,306
Net provisions for credit losses	(42,415)	(51,260)
Net operating income	503,675	470,046
Personnel expenses	(165,441)	(157,466)
Other operating expenses	(106,854)	(103,354)
Depreciation of property and equipment	(18,721)	(19,039)
Amortisation of intangible assets	(5,733)	(8,553)
Impairment on goodwill and investments	-	-
Total of operating expenses	(296,749)	(288,412)
Operating profit	206,926	181,634
Share of profit of associates under equity method	989	262
Net gain (loss) on disposal of other asset	763	(42)
Profit before tax	208,678	181,854
Income tax	(42,558)	(36,468)
Profit after tax	166,120	145,386
Result of discontinued operations, net of tax	-	20,703
Profit for the period	166,120	166,089
Minority share profit for the period	9,019	13,406
Group share profit for the period	157,101	152,683
Basic earnings per share LBP	373	360
Basic earnings per share from continuing operations LBP	373	309

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