

2017

Bank Audi

consolidated activity highlights

IN US DOLLARS

AT END-MARCH 2017

AMONG TOP REGIONAL BANKING GROUPS

USD 43.9 billion in total
assets as at 31/3/2017

- USD 36.0 billion of total customers' deposits
- USD 17.0 billion of total loans to customers
- USD 3.8 billion of total shareholders' equity
- USD 110 million 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
- USD 418 million 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 USD Thousands	31/12/2016 USD Thousands
ASSETS		
Cash and balances with central banks	11,461,474	12,371,872
Due from banks and financial institutions	1,993,601	2,008,111
Loans to banks and financial institutions and reverse repurchase agreements	1,529,403	1,372,348
Due from head office, sister, related banks and financial institutions	-	-
Financial assets given as collateral	-	-
Derivative financial instruments	253,257	258,798
Shares and participations at fair value through profit and loss	38,079	48,837
Debt instruments and other similar financial assets at fair value through profit and loss	591,706	411,007
Of which: net loans and advances at fair value through profit and loss	30,877	14,526
Net loans and advances to customers at amortised cost ⁽¹⁾	16,847,736	17,069,485
Net loans and advances to related parties at amortised cost ⁽²⁾	128,185	145,402
Debtors by acceptances	135,352	132,110
Debt instruments classified at amortised cost ⁽³⁾	9,727,533	9,280,312
Shares and participations at fair value through other comprehensive income	131,939	128,655
Investments in associates	33,646	8,844
Assets taken in settlement of debts	54,770	53,749
Property and equipment	593,877	584,743
Intangible fixed assets	40,574	42,866
Non-current assets held for sale	-	-
Other assets	331,718	321,921
Goodwill	28,147	27,746
TOTAL ASSETS	43,920,997	44,266,806

⁽¹⁾ After deduction of provisions amounting to USD 700 million from loans and advances to customers as per IAS 39, of which USD 418 million representing provisions on collective assessment.

⁽²⁾ Loans granted to related parties against cash collateral amounted to USD 98 million.

⁽³⁾ Includes an amount of USD 375 million with risk ceded to customers.

	31/3/2017 USD Thousands	31/12/2016 USD Thousands
OFF-BALANCE SHEET		
Financing commitments		
- Financing commitments given to banks and financial institutions	436,046	431,122
- Financing commitments given to customers	3,246,606	3,183,788
Bank guarantees		
- Guarantees given to banks and financial institutions	177,325	181,707
Of which: credit derivatives	-	-
- Guarantees received from banks and financial institutions	1,517,122	1,355,463
Of which: credit derivatives	-	-
- Guarantees given to customers	1,638,753	1,666,343
- Guarantees received from customers	23,780,465	23,661,749
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	6,752,289	6,800,492
- Foreign currencies to deliver	6,807,788	6,850,489
Commitments on term financial instruments	8,860,684	8,415,560
Other commitments		
Claims from legal cases	-	-
Fiduciary accounts	2,338,410	2,260,588
- Under specific instructions	2,286,707	2,193,732
- Under discretionary investments	51,703	66,856
Assets under management	8,806,789	8,397,415
Mutual funds	81,285	173,041
Structured financial products	-	-
Engagement unlikely to be executed	-	-
Bad debts written off during the year	480	122,050

	31/3/2017 USD Thousands	31/12/2016 USD Thousands
LIABILITIES		
Due to central banks	678,071	1,332,115
Due to banks and financial institutions and repurchase agreement	1,919,103	1,707,466
Due to head office, sister, related banks and financial institutions	-	-
Financial assets taken as a guarantee	-	-
Derivative financial instruments	165,196	181,063
Financial liabilities at fair value through profit and loss	-	-
Of which: deposits at fair value through profit and loss	-	-
Customers' deposits	35,405,928	35,415,733
Deposits from related parties	560,314	539,667
Debt issued and other borrowed funds	-	-
Engagements by acceptances	135,352	132,110
Other liabilities	522,811	510,503
Provisions for risks and charges	92,898	103,875
Subordinated loans and similar debts	648,785	645,794
Non-current liabilities held for sale	-	-
TOTAL LIABILITIES	40,128,458	40,568,326
Shareholders' Equity - Group share		
Share capital - Common shares	439,128	439,128
Share capital - Preferred shares	6,866	6,866
Issue premium - Common shares	586,124	586,124
Issue premium - Preferred shares	618,134	618,134
Subsidiary shares warrants	8,377	8,377
Share capital and cash contribution to capital	48,150	48,150
Non-distributable reserves	979,148	965,931
Distributable reserves	415,060	414,263
Treasury shares	(60,362)	(62,372)
Retained earnings	790,552	580,593
Proposed dividends	230,250	-
Revaluation reserve of real estate	237,996	237,952
Reserve on revaluation of financial assets at fair value through other comprehensive income	23,972	21,330
Remeasurement actuarial (gain)/Loss on defined benefit plan	(2,821)	(2,821)
Share of associates' other comprehensive income under equity method	3,016	3,016
Foreign currency translation reserve	(821,269)	(800,177)
Net (loss) gain on hedge of net investments in foreign entities	(31,117)	(38,284)
Result of the period	104,213	445,834
Shareholders' equity - Group share	3,575,417	3,472,044
Non-controlling interest	217,122	226,436
Total shareholders' equity	3,792,539	3,698,480
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	43,920,997	44,266,806



CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	31/3/2017 USD Thousands	31/3/2016 USD Thousands
Interest and similar income	671,616	633,077
Interest and similar expense	(406,201)	(389,594)
Net interest margin	265,415	243,483
Fee and commission income	83,210	82,186
Fee and commission expense	(18,086)	(17,745)
Net fee and commission income	65,124	64,441
Net gain on financial assets or liabilities at fair value through profit and loss	(4,737)	15,494
Of which: interest income	8,546	3,910
Net gain on financial investments	1,202	13,237
Other operating income	35,245	9,153
Total operating income	362,249	345,808
Net provisions for credit losses	(28,136)	(34,004)
Net operating income	334,113	311,804
Personnel expenses	(109,745)	(104,455)
Other operating expenses	(70,882)	(68,560)
Depreciation of property and equipment	(12,418)	(12,629)
Amortisation of intangible assets	(3,803)	(5,674)
Impairment on goodwill and investments	-	-
Total of operating expenses	(196,848)	(191,318)
Operating profit	137,265	120,486
Share of profit of associates under equity method	656	174
Net gain (loss) on disposal of other asset	506	(28)
Profit before tax	138,427	120,632
Income tax	(28,231)	(24,191)
Profit after tax	110,196	96,441
Result of discontinued operations, net of tax	-	13,734
Profit for the period	110,196	110,175
Minority share profit for the period	5,983	8,893
Group share profit for the period	104,213	101,282
Basic earnings per share USD	0.25	0.24
Basic earnings per share from continuing operations USD	0.25	0.20

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
- AUDI PRIVATE BANK sal
- Solifac sal

Phone: +961 1 994000 Fax: +961 1 999406 - contactus@bankaudiib.com - www.bankaudigroup.com
Phone: +961 1 954800/954900 Fax: +961 1 954880 - contactus.lebanon@bankaudipb.com - bankaudipb.com
Phone: +961 1 209200 Fax: +961 1 209205

FOREIGN PRESENCE

- BANQUE AUDI (SUISSE) SA
Beirut Representative Office
- BANK AUDI FRANCE sa
- BANK AUDI sal - JORDAN BRANCHES
- BANK AUDI sae (Egypt)
- AUDI CAPITAL (KSA) cjsc
- BANK AUDI LLC (Qatar)
- AUDI CAPITAL GESTION SAM
- ODEA BANK A.Ş.
- BANK AUDI sal - IRAQ BRANCHES
- BANK AUDI sal - ABU DHABI REP. OFFICE

Phone: +41 22 704 11 11 Fax: +41 22 704 11 00 - contactus.gva@bankaudipb.com - bankaudipb.com
Phone: +961 1 977 544 Fax: +961 1 980 535
Phone: +33 1 53 83 50 00 Fax: +33 1 42 56 09 74 - contactus@bankaudi.fr - bankaudi.fr
Phone: +962 6 4604000 Fax: +962 6 4680015 - contactus@bankaudi.com.jo - bankaudi.com.jo
Phone: +20 2 35343300 Fax: +20 2 35362120 - contactus@bankaudi.com.eg - bankaudi.com.eg
Phone: +966 11 2199300 Fax: +966 11 4627942 - contactus@audicapital.com - audicapital.com
Phone: +974 44967365 Fax: +974 44967373 - contactus.qatar@bankaudipb.com - bankaudipb.com
Phone: +377 97 97 65 11 Fax: +377 97 97 65 19 - contactus.mc@bankaudipb.com - bankaudipb.com
Phone: +90 212 3048444 Fax: +90 212 3048445 - info@odeabank.com.tr - odeabank.com.tr
Phone: +964 772 9768900 - contactus.iraq@bankaudi.com.lb - bankaudiiraq.com
Phone: +971 2 6331180 Fax: +971 2 6336044 - contactus.abu-dhabi@bankaudipb.com - www.bankaudipb.com