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

**LBP 68,252 billion in total
assets as at 30/9/2016**

of which **45%** from entities
outside Lebanon

Bank Audi

**consolidated
activity highlights**

IN LEBANESE POUNDS

AT END-SEPTEMBER 2016

Diversified Growth of Assets and Net Profits

- **LBP 55,721 billion of total customers' deposits**
- **LBP 28,363 billion of total loans to customers**
- **LBP 5,533 billion of total shareholders' equity**
- **LBP 528 billion of net profits in the first nine months 2016**, growing by **15%** relative to the corresponding period of 2015, and of which **44%** from entities outside Lebanon

Resilient Asset Mix

- **54.9% of primary liquidity to customers' deposits ratio**
- **15.3% of capital adequacy ratio as per Basel III**, of which **9.9%** of Common Equity Tier 1 ratio
- **3.2% only of gross doubtful loans to gross loans ratio**, covered up to **100%** by specific provisions and real guarantees
- **Collective provisions reached LBP 812 billion**, of which LBP **455 billion** taken in preparation of the application of IFRS9
- **15.1% of return on average common equity**

AMONG THE TOP REGIONAL BANKING GROUPS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	30/9/2016 LBP Million	31/12/2015 LBP Million
ASSETS		
Cash and balances with central banks	19,829,396	13,754,922
Due from banks and financial institutions	1,684,488	2,704,157
Loans to banks and financial institutions and reverse repurchase agreements	1,729,895	2,585,553
Due from head office, sister, related banks and financial institutions	-	-
Financial assets given as collateral	-	-
Derivative financial instruments	290,816	265,863
Shares and participations at fair value through profit and loss	70,375	59,292
Debt instruments and other similar financial assets at fair value through profit and loss	667,732	324,430
Of which: net advances and loans at fair value through profit and loss	70,889	22,185
Net loans and advances to customers at amortised cost ⁽¹⁾	28,133,228	26,812,807
Net loans and advances to related parties at amortised cost ⁽²⁾	229,463	214,549
Debtors by acceptances	240,012	240,605
Debt instruments classified at amortised cost ⁽³⁾	13,446,280	14,784,574
Shares and participations at fair value through other comprehensive income	204,472	144,375
Investments in associates	13,613	13,989
Assets taken in settlement of debts	82,805	72,779
Property and equipment	944,391	963,438
Intangible fixed assets	59,047	101,364
Non-current assets held for sale	-	-
Other assets	581,797	470,506
Goodwill	43,811	209,434
TOTAL ASSETS	68,251,621	63,722,637

⁽¹⁾ After deduction of provisions amounting to LBP 948,559 million from loans and advances to customers as per IAS 39, of which LBP 357,287 million representing provisions on collective assessment.

⁽²⁾ Loans granted to related parties against cash collateral amounted to LBP 177,990 million.

⁽³⁾ Includes an amount of LBP 1,504 billion with risk ceded to customers.

	30/9/2016 LBP Million	31/12/2015 LBP Million
OFF-BALANCE SHEET		
Financing commitments	722,268	548,320
- Financing commitments given to banks and financial institutions	-	-
- Financing commitments given to customers	5,512,077	5,222,427
Bank guarantees		
- Guarantees given to banks and financial institutions	150,110	231,963
Of which: credit derivatives	-	-
- Guarantees received from banks and financial institutions	1,664,900	2,603,635
Of which: credit derivatives	-	-
- Guarantees given to customers	2,518,508	2,543,077
- Guarantees received from customers	37,856,363	36,217,474
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	8,316,710	7,199,804
- Foreign currencies to deliver	8,371,854	7,215,797
Commitments on term financial instruments	12,567,718	9,599,733
Other commitments		
Claims from legal cases	-	-
Fiduciary accounts	2,779,965	2,255,152
- Under specific instructions	2,647,855	1,963,991
- Under discretionary investments	132,110	291,161
Assets under management	12,809,688	12,185,015
Mutual funds	286,592	407,021
Structured financial products	-	-
Engagement unlikely to be executed	-	-
Bad debts written off during the year	16,174	34,327

	30/9/2016 LBP Million	31/12/2015 LBP Million
LIABILITIES		
Due to central banks	1,836,509	569,856
Due to banks and financial institutions and repurchase agreement	2,329,334	2,340,565
Due to head office, sister, related banks and financial institutions	-	-
Financial assets taken as a guarantee	-	-
Derivative financial instruments	131,872	131,199
Financial liabilities at fair value through profit and loss	-	-
Of which: deposits at fair value through profit and loss	-	-
Customers' deposits at amortised cost	54,898,416	52,990,507
Deposits from related parties at amortized cost	822,781	690,111
Debt issued and other borrowed funds	21,184	80,353
Engagements by acceptances	240,012	240,605
Other liabilities ⁽⁴⁾	1,297,071	578,000
Provisions for risks and charges	164,097	172,060
Subordinated loans and similar debts	977,376	973,629
Non-current liabilities held for sale	-	-
TOTAL LIABILITIES	62,718,652	58,766,885
Shareholders' Equity - Group Share		
Share capital - Common shares	661,985	661,985
Share capital - Preferred shares	6,210	6,210
Issue premium - Common shares	883,582	883,582
Issue premium - Preferred shares	559,102	559,102
Subsidiary shares warrants	14,060	17,145
Share capital and cash contribution to capital	72,586	72,586
Non-distributable reserves	1,271,608	1,179,216
Distributable reserves	626,865	642,865
Treasury shares	(2,077)	-
Retained earnings	883,688	675,524
Proposed dividends	-	-
Revaluation reserve of real estate	358,713	360,488
Reserve on revaluation of financial assets at fair value through other comprehensive income	31,995	36,211
Reserve for cash flow hedges	-	-
Remeasurement actuarial (gain)/Loss on defined benefit plan	(5,592)	(5,592)
Share of associates' other comprehensive income under equity method	4,546	4,546
Foreign currency translation reserve	(673,950)	(732,696)
Net (loss) gain on hedge of net investments in foreign entities	(45,244)	(53,152)
Result of the current period	522,964	587,948
Shareholders' equity - Group share	5,171,041	4,895,968
Non-controlling interest	361,928	59,784
Total shareholders' equity	5,532,969	4,955,752
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	68,251,621	63,722,637

⁽⁴⁾ Includes collective provisions of LBP 455,019 million taken in preparation of the application of IFRS 9.



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CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	30/9/2016 LBP Million	30/9/2015 LBP Million
Interest and similar income	2,897,938	2,789,289
Interest and similar expense	(1,752,697)	(1,716,977)
Net interest margin	1,145,241	1,072,312
Fee and commission income	1,314,545	363,200
Fee and commission expense	(79,127)	(70,212)
Net Fee and commission income	1,235,418	292,988
Net gain on financial assets or liabilities at fair value through profit and loss	45,159	(29,799)
Of which: interest income	41,120	20,063
Net gain on financial investments	196,500	158,375
Other operating income	35,862	9,546
Total operating income	2,658,180	1,503,422
Net provisions for credit losses	(343,323)	(148,056)
Net operating income	2,314,857	1,355,366
Personnel expenses	(558,099)	(459,964)
Other operating expenses	(391,723)	(282,058)
Depreciation of property and equipment	(58,852)	(54,351)
Amortisation of intangible assets	(25,886)	(20,903)
Impairment on goodwill and investments	(193,660)	-
Total operating expenses	(1,228,220)	(817,276)
Operating profit	1,086,637	538,090
Share of profit of associates under equity method	1,053	2,458
Net gain (loss) on disposal of other asset	(23,200)	(36)
Profit before tax	1,064,490	540,512
Income tax	(248,151)	(117,665)
Profit after tax	816,339	422,847
Result of discontinued operations, net of tax	(288,197)	35,703
Profit for the current period	528,142	458,550
Minority share profit for the current period	5,178	18,140
Group share profit for the current period	522,964	440,410
Basic earnings per share LBP	1,244	1,039
Basic earnings per share from continuing operations LBP	1,244	1,039

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- ARABEYA ONLINE BROKERAGE
- AUDI CAPITAL (KSA) cjsc
- BANK AUDI LLC (Qatar)
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