

20
16

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

**USD 45.3 billion in total
assets as at 30/9/2016**

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

Bank Audi

**consolidated
activity highlights**

IN US DOLLARS

AT END-SEPTEMBER 2016

Diversified Growth of Assets and Net Profits

- **USD 37.0 billion of total customers' deposits**
- **USD 18.8 billion of total loans to customers**
- **USD 3.7 billion of total shareholders' equity**
- **USD 350 million 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 USD 539 million**, of which USD **302 million** 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)

	30/9/16 USD Thousands	31/12/15 USD Thousands
ASSETS		
Cash and balances with central banks	13,153,828	9,124,326
Due from banks and financial institutions	1,117,405	1,793,802
Loans to banks and financial institutions and reverse repurchase agreements	1,147,526	1,715,126
Due from head office, sister, related banks and financial institutions	-	-
Financial assets given as collateral	-	-
Derivative financial instruments	192,913	176,360
Shares and participations at fair value through profit and loss	46,683	39,331
Debt instruments and other similar financial assets at fair value through profit and loss	442,940	215,211
Of which: net advances and loans at fair value through profit and loss	47,024	14,716
Net loans and advances to customers at amortised cost ⁽¹⁾	18,662,174	17,786,274
Net loans and advances to related parties at amortised cost ⁽²⁾	152,214	142,321
Debtors by acceptances	159,212	159,605
Debt instruments classified at amortised cost ⁽³⁾	8,919,589	9,807,346
Shares and participations at fair value through other comprehensive income	135,636	95,771
Investments in associates	9,030	9,279
Assets taken in settlement of debts	54,929	48,278
Property and equipment	626,462	639,097
Intangible fixed assets	39,169	67,240
Non-current assets held for sale	-	-
Other assets	385,935	312,111
Goodwill	29,062	138,928
TOTAL ASSETS	45,274,707	42,270,406

⁽¹⁾ After deduction of provisions amounting to USD 629 million from loans and advances to customers as per IAS 39, of which USD 237 million representing provisions on collective assessment.

⁽²⁾ Loans granted to related parties against cash collateral amounted to USD 118 million.

⁽³⁾ Includes an amount of USD 998 million with risk ceded to customers.

	30/9/16 USD Thousands	31/12/15 USD Thousands
OFF-BALANCE SHEET		
Financing commitments		
- Financing commitments given to banks and financial institutions	479,117	363,728
- Financing commitments given to customers	3,656,436	3,464,296
Bank guarantees	-	-
- Guarantees given to banks and financial institutions	99,576	153,873
Of which: credit derivatives	-	-
- Guarantees received from banks and financial institutions	1,104,411	1,727,121
Of which: credit derivatives	-	-
- Guarantees given to customers	1,670,652	1,686,950
- Guarantees received from customers	25,112,015	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	5,516,889	4,775,989
- Foreign currencies to deliver	5,553,469	4,786,598
Commitments on term financial instruments	8,336,795	6,367,981
Other commitments	-	-
Claims from legal cases	-	-
Fiduciary accounts	1,844,089	1,495,955
- Under specific instructions	1,756,454	1,302,813
- Under discretionary investments	87,635	193,142
Assets under management	8,497,305	8,082,929
Mutual funds	190,111	269,997
Structured financial products	-	-
Engagement unlikely to be executed	-	-
Bad debts written off during the year	10,729	22,771

	30/9/16 USD Thousands	31/12/15 USD Thousands
LIABILITIES		
Due to central banks	1,218,248	378,014
Due to banks and financial institutions and repurchase agreement	1,545,164	1,552,614
Due to head office, sister, related banks and financial institutions	-	-
Financial assets taken as a guarantee	-	-
Derivative financial instruments	87,477	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	36,416,860	35,151,248
Deposits from related parties at amortized cost	545,792	457,785
Debt issued and other borrowed funds	14,052	53,302
Engagements by acceptances	159,212	159,605
Other liabilities ⁽⁴⁾	860,412	383,414
Provisions for risks and charges	108,854	114,137
Subordinated loans and similar debts	648,342	645,857
Non-current liabilities held for sale	-	-
TOTAL LIABILITIES	41,604,413	38,983,007
Shareholders' Equity - Group Share		
Share capital - Common shares	439,128	439,127
Share capital - Preferred shares	4,119	4,119
Issue premium - Common shares	586,124	586,124
Issue premium - Preferred shares	370,880	370,881
Subsidiary shares warrants	9,327	11,373
Share capital and cash contribution to capital	48,150	48,150
Non-distributable reserves	843,521	782,233
Distributable reserves	415,831	426,445
Treasury shares	(1,378)	-
Retained earnings	586,194	448,110
Proposed dividends	-	-
Revaluation reserve of real estate	237,952	239,130
Reserve on revaluation of financial assets at fair value through other comprehensive income	21,224	24,021
Reserve for cash flow hedges	-	-
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	(447,065)	(486,036)
Net (loss) gain on hedge of net investments in foreign entities	(30,013)	(35,258)
Result of the current period	346,908	390,015
Shareholders' equity - Group share	3,430,209	3,247,741
Non-controlling interest	240,085	39,658
Total shareholders' equity	3,670,294	3,287,399
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	45,274,707	42,270,406

⁽⁴⁾ Includes collective provisions of USD 302 million taken in preparation of the application of IFRS 9.



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



CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	30/9/16 USD Thousands	30/9/15 USD Thousands
Interest and similar income	1,922,347	1,850,275
Interest and similar expense	(1,162,652)	(1,138,957)
Net interest margin	759,695	711,318
Fee and commission income	872,004	240,929
Fee and commission expense	(52,489)	(46,575)
Net Fee and commission income	819,515	194,354
Net gain on financial assets or liabilities at fair value through profit and loss	29,956	(19,767)
Of which: interest income	27,277	13,309
Net gain on financial investments	130,348	105,058
Other operating income	23,789	6,332
Total operating income	1,763,303	997,295
Net provisions for credit losses	(227,743)	(98,213)
Net operating income	1,535,560	899,082
Personnel expenses	(370,214)	(305,117)
Other operating expenses	(259,852)	(187,103)
Depreciation of property and equipment	(39,040)	(36,054)
Amortisation of intangible assets	(17,171)	(13,866)
Impairment on goodwill and investments	(128,464)	-
Total operating expenses	(814,741)	(542,140)
Operating profit	720,819	356,942
Share of profit of associates under equity method	699	1,631
Net gain (loss) on disposal of other asset	(15,389)	(24)
Profit before tax	706,129	358,549
Income tax	(164,611)	(78,053)
Profit after tax	541,518	280,496
Result of discontinued operations, net of tax	(191,175)	23,684
Profit for the current period	350,343	304,180
Minority share profit for the current period	3,435	12,033
Group share profit for the current period	346,908	292,147
Basic earnings per share USD	0.83	0.69
Basic earnings per share from continuing operations USD	0.83	0.69

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