

2017

Bank Audi

consolidated activity highlights

IN LEBANESE POUNDS

AT END-SEPTEMBER 2017

A LEADING POSITIONING IN MAIN COUNTRIES OF PRESENCE

**LBP 67,359 billion in total
assets as at 30/9/2017**

of which 40% from entities
outside Lebanon

Consolidated Activity Highlights as at End-September 2017

- LBP 53,891 billion of total customers' deposits
- LBP 25,859 billion of total loans to customers
- LBP 5,740 billion of total shareholders' equity
- LBP 658 billion of net profits in the first nine months of 2017, and LBP 515 billion excluding net profits from the sale of the Card and Electronic Payment processing and acquiring activities, of which 46% from entities outside Lebanon

Main Financial Indicators

- 59.9% of primary liquidity to customers' deposits ratio
- 15.6% of capital adequacy ratio as per Basel III, of which 10.1% of Common Equity Tier 1 ratio
- 3.3% of gross doubtful loans to gross loans ratio, covered up to 111% by specific provisions and real guarantees
- LBP 676 billion of collective provisions, in addition to the above specific provisions
- 13.7% of return on average common equity, excluding net profits from the sale of the Card and Electronic Payment processing and acquiring activities

AMONG THE TOP REGIONAL BANKING GROUPS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	30/9/2017 LBP Million	31/12/2016 LBP Million
ASSETS		
Cash and balances with central banks	19,322,001	18,650,596
Due from banks and financial institutions	2,680,266	3,027,228
Loans to banks and financial institutions and reverse repurchase agreements	880,422	2,068,815
Due from head office, sister, related banks and financial institutions	-	-
Financial assets given as collateral	-	-
Derivative financial instruments	406,654	390,138
Shares and participations at fair value through profit and loss	57,035	73,621
Debt instruments and other similar financial assets at fair value through profit and loss	1,742,883	619,593
Of which: net loans and advances at fair value through profit and loss	47,745	21,898
Net loans and advances to customers at amortised cost ⁽¹⁾	25,670,099	25,732,247
Net loans and advances to related parties at amortised cost ⁽²⁾	188,551	219,193
Debtors by acceptances	211,065	199,156
Debt instruments classified at amortised cost ⁽³⁾	14,302,229	13,990,070
Shares and participations at fair value through other comprehensive income	161,240	193,948
Investments in associates	133,907	13,333
Assets taken in settlement of debts	123,055	81,027
Property and equipment	896,980	881,501
Intangible fixed assets	57,967	64,621
Non-current assets held for sale	-	-
Other assets	480,578	485,295
Goodwill	43,680	41,827
TOTAL ASSETS	67,358,612	66,732,209

⁽¹⁾ After deduction of provisions amounting to LBP 1,149 billion from loans and advances to customers as per IAS 39, of which LBP 676 billion representing provisions on collective assessment.

⁽²⁾ Loans granted to related parties against cash collateral amounted to LBP 135 billion.

⁽³⁾ Includes an amount of LBP 941 billion with risk ceded to customers.

	30/9/2017 LBP Million	31/12/2016 LBP Million
OFF-BALANCE SHEET		
Financing commitments		
- Financing commitments given to banks and financial institutions	694,377	649,916
- Financing commitments given to customers	4,966,726	4,799,560
Bank guarantees		
- Guarantees given to banks and financial institutions	717,219	273,923
Of which: credit derivatives	-	-
- Guarantees received from banks and financial institutions	872,944	2,043,361
Of which: credit derivatives	-	-
- Guarantees given to customers	2,321,605	2,512,013
- Guarantees received from customers	37,309,734	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	12,191,468	10,251,741
- Foreign currencies to deliver	12,211,518	10,327,110
Commitments on term financial instruments	13,653,971	12,686,455
Other commitments		
Claims from legal cases	-	-
Fiduciary accounts		
- Under specific instructions	3,281,112	3,407,836
- Under discretionary investments	3,250,313	3,307,051
	30,799	100,785
Assets under management	13,761,794	12,659,104
Mutual funds	70,899	260,859
Structured financial products	-	-
Engagement unlikely to be executed	-	-
Bad debts written off during the year	3,573	183,991

	30/9/2017 LBP Million	31/12/2016 LBP Million
LIABILITIES		
Due to central banks	2,345,942	2,008,163
Due to banks and financial institutions and repurchase agreement	2,969,099	2,574,005
Due to head office, sister, related banks and financial institutions	-	-
Financial assets taken as a guarantee	-	-
Derivative financial instruments	212,934	272,952
Financial liabilities at fair value through profit and loss	-	-
Of which: deposits at fair value through profit and loss	-	-
Customers' deposits	53,105,832	53,389,218
Deposits from related parties	785,488	813,548
Debt issued and other borrowed funds	-	-
Engagements by acceptances	211,065	199,156
Other liabilities	627,720	769,582
Provisions for risks and charges	136,099	156,592
Subordinated loans and similar debts	1,224,871	973,535
Non-current liabilities held for sale	-	-
TOTAL LIABILITIES	61,619,050	61,156,751
Shareholders' Equity - Group share		
Share capital - Common shares	664,783	661,985
Share capital - Preferred shares	7,899	10,350
Issue premium - Common shares	883,582	883,582
Issue premium - Preferred shares	708,163	931,837
Subsidiary shares warrants	12,629	12,629
Share capital and cash contribution to capital	72,586	72,586
Non-distributable reserves	1,584,140	1,456,141
Distributable reserves	621,190	624,501
Treasury shares	(91,952)	(94,026)
Retained earnings	1,138,871	875,244
Proposed dividends	-	-
Revaluation reserve of real estate	358,779	358,713
Reserve on revaluation of financial assets at fair value through other comprehensive income	6,805	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	(1,172,894)	(1,206,264)
Net (loss) gain on hedge of net investments in foreign entities	(18,647)	(57,713)
Result of the period	635,756	672,095
Shareholders' equity - Group share	5,411,982	5,234,106
Non-controlling interest	327,580	341,352
Total shareholders' equity	5,739,562	5,575,458
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	67,358,612	66,732,209



CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	30/9/2017 LBP Million	30/9/2016 LBP Million
Interest and similar income	3,185,068	2,897,938
Interest and similar expense	(1,967,643)	(1,752,697)
Net interest margin	1,217,425	1,145,241
Fee and commission income	332,325	1,314,545
Fee and commission expense	(61,823)	(79,127)
Net fee and commission income	270,502	1,235,418
Net gain on financial assets or liabilities at fair value through profit and loss	135,235	45,159
Of which: interest income	52,282	41,120
Net gain on financial investments	34,460	196,500
Other operating income	59,573	35,862
Total operating income	1,717,195	2,658,180
Net provisions for credit losses	(188,471)	(343,323)
Net operating income	1,528,724	2,314,857
Personnel expenses	(478,409)	(558,099)
Other operating expenses	(332,316)	(391,723)
Depreciation of property and equipment	(55,780)	(58,852)
Amortisation of intangible assets	(17,168)	(25,886)
Impairment on goodwill and investments	-	(193,660)
Total of operating expenses	(883,673)	(1,228,220)
Operating profit	645,051	1,086,637
Share of profit of associates under equity method	2,528	1,053
Net gain (loss) on disposal of other asset	895	(23,200)
Profit before tax	648,474	1,064,490
Income tax	(133,831)	(248,151)
Profit after tax	514,643	816,339
Result of discontinued operations, net of tax	143,654	(288,197)
Profit for the period	658,297	528,142
Minority share profit for the period	22,541	5,178
Group share profit for the period	635,756	522,964
Basic earnings per share LBP	1,541	1,244

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