

CONSOLIDATED FINANCIAL STATEMENTS

As at 30 September 2017

**CAPITAL LBP 689,113,198,640 FULLY PAID,
TOTAL EQUITY LBP 3,167,650,000,000 | C.R.B.14150,
LIST OF BANKS NO. 39, HEAD OFFICE - BEIRUT**



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2017 (LBP millions)

	Unaudited 30-Sep-17	Audited 31-Dec-16
ASSETS		
Cash and balances with central banks	11,885,252	8,783,092
Due from banks and financial institutions	3,754,555	2,657,429
Loans to banks and financial institutions and reverse repurchase agreements	925,265	964,066
Financial assets given as collateral	328,861	224,044
Derivative financial instruments	4,402	4,420
Shares and participations held at fair value through profit or loss	29,440	40,065
Debt instruments and other financial assets held at fair value through profit or loss	347,231	749,107
Net loans and advances to customers at amortized cost*	7,979,398	7,787,274
Net loans and advances to related parties at amortized cost	21,108	20,714
Debtors by acceptances	321,507	223,883
Shares and participations held at fair value through other comprehensive income	109,751	101,305
Debt instruments held at amortized cost	7,603,040	9,416,979
Property and equipment	265,923	247,095
Intangible assets	296	380
Assets taken in settlement of debt	44,167	43,299
Other assets	141,321	110,438
TOTAL ASSETS*	33,761,517	31,373,590

(*) After Deducting:

Reserved Interest on sub-standard, doubtful, and bad loans	70,329	53,964
Specific Provisions for doubtful and bad loans	167,243	158,278
Provisions Based on Collective Assessment	94,055	78,643

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As at 30 September 2017 (LBP millions)	Unaudited 30-Sep-17	Audited 31-Dec-16
LIABILITIES AND EQUITY		
LIABILITIES		
Due to central banks	990,744	332,971
Due to banks and financial institutions	1,037,259	774,095
Derivative financial instruments	4,069	2,106
Customers' deposits at amortized cost	26,757,294	25,415,634
Deposits from related parties at amortized cost	381,278	366,028
Engagements by acceptances	321,507	223,883
Debt issued and other borrowed funds	461,293	444,072
Other liabilities	326,277	374,911
Provisions for risks and charges	314,146	300,292
Subordinated notes	422,152	420,165
TOTAL LIABILITIES	31,016,019	28,654,157
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital – Common shares	684,273	684,273
Share capital – Preferred shares	4,840	4,840
Issue premium – Common shares	229,014	229,014
Issue premium – Preferred shares	591,083	591,083
Reserves not available for distribution (legal and statutory)	924,746	843,320
Reserves available for distribution	110,616	103,246
Treasury shares	(5,973)	(5,161)
Retained earnings	50,184	67,517
Revaluation reserve of real estate	5,689	5,689
Reserve on revaluation of financial assets at fair value through OCI	(2,958)	(9,081)
Net results of the financial year - profit	167,309	232,670
Foreign currency translation reserve	(52,192)	(65,340)
	2,706,631	2,682,070
NON-CONTROLLING INTERESTS	38,867	37,363
TOTAL EQUITY	2,745,498	2,719,433
TOTAL LIABILITIES AND EQUITY	33,761,517	31,373,590

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	Unaudited 30-Sep-17	Audited 31-Dec-16
OFF-BALANCE SHEET ITEMS		
Financing Commitments		
Financing commitments given to banks & financial institutions	323,559	401,809
Financing commitments received from banks & financial institutions	88,488	106,680
Engagement to customers	3,247,151	2,774,764
Bank guarantees		
Guarantees given to banks & financial institutions	162,381	179,274
Guarantees given to customers	885,679	913,621
Guarantees received from customers	26,109,163	25,628,287
Foreign Currencies Forwards		
Foreign currencies to receive	545,291	310,601
Foreign currencies to deliver	544,746	308,153
Claims from legal cases	44,487	44,452
Fiduciary assets	161,466	162,722
Asset under management	3,348,900	3,084,620
Bad debts fully provided for	175,504	167,558

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CONSOLIDATED INCOME STATEMENT

Period ended 30 September 2017 (LBP millions)	Unaudited 30-Sep-17	Unaudited 30-Sep-16
Interest and similar income	1,251,135	1,154,340
Interest and similar expense	(941,160)	(877,076)
NET INTEREST INCOME	309,975	277,264
Fees and Commissions income	106,300	100,785
Fees and Commissions expense	(9,385)	(9,205)
NET FEES AND COMMISSIONS INCOME	96,915	91,580
Net gain from financial instruments at fair value through profit or loss	39,918	82,624
of which: interest revenues/charges	27,103	39,768
Net gain or loss on financial assets at amortized cost	31,907	52,499
Revenue from financial assets at fair value through other comprehensive income	4,443	3,873
Other operating income	19,676	19,793
TOTAL OPERATING INCOME	502,834	527,633
Credit loss expense	(21,552)	(27,882)
NET OPERATING INCOME	481,282	499,751
Personnel expenses	(153,930)	(153,479)
Depreciation and amortization	(14,997)	(16,428)
Amortisation of intangibles assets	(85)	(345)
Other operating expenses	(93,802)	(94,925)
Provision for risks and charges	(8,317)	(23,273)
TOTAL OPERATING EXPENSES	(271,131)	(288,450)
PROFIT BEFORE TAX	210,151	211,301
Income tax expense	(37,500)	(39,959)
PROFIT FOR THE PERIOD	172,651	171,342
Attributable to:		
Equity holders of the parent	167,309	156,154
Non-controlling interests	5,342	15,188
	172,651	171,342
Earnings per share		
Equity holders of the parent for the period:	LL	LL
Basic earnings per share	232.44	212.84
Diluted earnings per share	222.08	205.53

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Period ended 30 September 2017 (LBP millions)	Unaudited 30-Sep-17	Unaudited 30-Sep-16
PROFIT FOR THE PERIOD	172,651	171,342
OTHER COMPREHENSIVE INCOME (LOSS)		
Items to be reclassified to the income statement in subsequent periods:		
Exchange difference on translation of foreign operations	12,891	(27,052)
Net other comprehensive gain (loss) to be reclassified to the income statement in subsequent periods	12,891	(27,052)
Items not to be reclassified to the income statement in subsequent periods:		
Net unrealized gain (loss) from financial assets at fair value through other comprehensive income	7,192	(1,297)
Income tax effect	(1,069)	(15)
	6,123	(1,312)
Net other comprehensive income (loss) not to be reclassified to the income statement in subsequent periods	6,123	(1,312)
OTHER COMPREHENSIVE GAIN (LOSS) FOR THE PERIOD NET OF TAX	19,014	(28,364)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	191,665	142,978
Attributable to:		
Equity holders of the parent	186,581	136,967
Non-controlling interests	5,084	6,011
	191,665	142,978