



Byblos Bank Releases Financial Results for First Quarter of 2017

Consolidated Activity Highlights as at end-March 2017:

- USD 21.3 billion in Assets
- USD 17.4 billion in Customers' Deposits
- USD 5.2 billion in Net Customers' Loans
- USD 2.1 billion in Total Equity
- USD 28.7 million in Net Profit

Byblos Bank Headquarters, 25 April 2017: Byblos Bank posted adequate results with a slight drop in net profit due to recently taken conservative measures. The drop in net profit, which amounted 14.9% in first quarter of 2017, resulted mainly from the deconsolidation of investments of the Bank's subsidiaries in both Syria and Sudan, as well as from a lower risk appetite in some overseas markets.

Byblos Bank kept up with its conservative lending policy, along with its strategy of high liquidity as devised by its Board of Directors. These measures, although affecting profitability on the short term, will ensure long-term protection and stability for shareholders.

Byblos Bank, therefore, maintained a high level of immediate foreign-currency liquidity, amounting to 20% at end of March 2017, in the form of short-term placements with investment- and above-investment-grade institutions, all at levels exceeding both local and international benchmarks. Additionally, Byblos Bank maintained a Basel III Capital Adequacy Ratio at above 18% at end-2016, versus recently-issued BDL regulatory requirements that raised the minimum to 15% by end-2018.

As a result of these and other measures, customers' deposits and customers' loans conservatively grew by 2% and 0.3% respectively, reaching USD 17.4 billion and USD 5.2 billion. These have been achieved while maintaining a low loans-to-assets ratio of 24.4%, with net interest margin improving slightly from 1.36% to 1.39% due to better management of interest rate.

Byblos Bank continues with its plans and internal projects to drive improvements in its business and human productivity, measures that will ensure an optimization of expenses, a better use of resources, and by consequence an improvement in profitability.

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