

## Financial Results as at 30/9/2016 <sup>(1)</sup>

**Balanced growth with priority to control banking risks and operating costs**

**Net profit, the highest return and the lowest operating costs:**

<b>Net profit for the first nine months</b>	<b>USD 344 million</b> , an increase of USD <b>54</b> million
<b>The highest return on shareholders' equity (ROE common) <sup>(2)</sup></b>	<b>17.0%</b>
<b>The lowest cost to income ratio<sup>(2)</sup></b>	<b>35.3%</b>
<b>Total assets</b>	<b>USD 30.1 billion</b> , an increase of USD <b>1.2</b> billion
<b>Customers' deposits</b>	<b>USD 25.6 billion</b> , an increase of USD <b>614</b> million
<b>Loans &amp; advances to customers</b>	<b>USD 7.5 billion</b> , an increase of USD <b>510</b> million
<b>Shareholders' equity</b>	<b>USD 2.8 billion</b> , an increase of USD <b>197</b> million

**While maintaining the highest ratios of capital adequacy, and liquid assets<sup>(2)</sup> and high coverage of non-performing loans:**

<b>A high capital adequacy ratio</b>	<b>18.1%</b> (Required ratio 12%)
<b>A high liquid assets / customers' deposits ratio</b>	<b>66.6%</b>
<b>A high coverage of non-performing loans</b> (after accounting for real guarantees and collective provisions)	<b>151%</b>



(1) Compared to 30/9/2015

(2) Among listed Lebanese Banks

# Financial Results as at 30/9/2016

## Consolidated Statement of Financial Position

Assets (In LBP Million)	30/9/2016 Unaudited	31/12/2015 Audited
Cash and balances with the Central Banks	15,840,582	14,296,448
Banks and financial institutions	3,149,904	4,213,528
Due from head office, parent, and sister banks/companies	-	-
Granted Financial Loans to Banks and Financial Institutions and reverse repurchase agreements	62,584	63,376
Derivative financial instruments	12,733	40,719
Shares and securities designated at FVTPL	184,298	162,506
Financial assets designated at FVTPL	250,875	432,763
out of which : Loans and advances designated at FVTPL	-	-
Loans and advances to customers designated at Amortised Cost <sup>(1)</sup>	11,297,226	10,815,706
Loans and advances to related parties designated at Amortised Cost	29,433	32,216
Bank acceptances	105,654	88,854
Shares and securities designated at fair value through other comprehensive income (FVTOCI)	5,685	6,229
Financial assets classified at Amortised Cost	13,430,499	12,826,379
Investment and loans to related parties	-	-
Assets taken in recovery of debt	46,905	38,038
Tangible fixed assets	732,027	644,114
Intangible fixed assets	3,182	5,190
Other assets	228,343	153,029
Goodwill	42,446	47,876
<b>Total Assets</b>	<b>45,422,376</b>	<b>43,866,971</b>

(1) After taking into consideration total provisions amounting to LL million 387,210 and LL million 361,264 as at 30/09/2016 and 31/12/2015 respectively, from total loans and advances to customers according to IAS 39; out of which collective provisions stood at LL million 112,341 and LL million 125,158 as at 30/9/2016 and 31/12/2015 respectively.

## Consolidated Statement of Financial Position

Liabilities (In LBP Million)	30/9/2016 Unaudited	31/12/2015 Audited
Due to Central Banks	497,988	460,268
Due to banks & financial institutions and repurchase agreements	423,963	486,693
Due to head office, parent, and sister banks / companies	-	-
Derivative financial instruments	14,064	40,804
Financial liabilities designated at FVTPL	-	-
out of which : Customers' Deposits at FVTPL	-	-
Customers' deposits at Amortised Cost	38,361,609	37,623,777
Related parties' deposits at Amortised Cost	295,989	200,605
Debt issued and other borrowed funds	-	-
Engagements by acceptances	105,654	88,854
Other liabilities	904,636	698,815
Provisions for risks and charges	571,787	164,350
Liabilities related to non-current assets held for sale	-	-
<b>Total Liabilities</b>	<b>41,175,690</b>	<b>39,764,166</b>
<b>Shareholders' Equity</b>		
Share capital - Common Shares	258,000	258,000
Share capital - Preferred Shares	24,000	24,000
Share premium on common shares	374,059	374,059
Share premium on preferred shares	277,500	277,500
Non distributable reserve (Legal and Obligatory)	1,186,290	1,062,335
Distributable free reserve	559,865	514,515
Treasury shares	(202,159)	(180,708)
Retained earnings	1,413,310	1,259,719
Reserves for revaluation variance-real estate	14,727	14,727
Fair value for financial assets at FVTOCI	566	333
Foreign currency translation reserve	(267,683)	(190,841)
Non-controlling interests	106,564	106,064
out of which : Profit allocated to non-controlling interests	17,045	26,321
Profit of the financial period - Profit / (Loss)	501,647	583,102
<b>Total Shareholders' Equity</b>	<b>4,246,686</b>	<b>4,102,805</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>45,422,376</b>	<b>43,866,971</b>

## Consolidated Statement of Financial Position

Off Financial Position (In LBP Million)	30/9/2016 Unaudited	31/12/2015 Audited
<b>Financing commitments</b>		
Financing commitments issued	147,768	182,850
Financing commitments received from financial intermediaries	61,849	86,510
Commitments to lend	448,822	412,240
<b>Guarantees</b>		
Guarantees given to financial intermediaries	126,846	124,623
out of which: credit derivatives	-	-
Guarantees received from financial intermediaries	73,154	30,996
out of which: credit derivatives	-	-
Guarantees given to customers	734,874	715,842
Guarantees received from customers	18,400,323	18,859,321
<b>Commitments on financial assets</b>		
Financial assets to receive	-	-
out of which: financial assets sold with an option to repurchase	-	-
Financial assets to deliver	-	-
out of which: financial assets bought with an option to resell	-	-
<b>Operations in foreign currencies</b>		
Foreign currencies to receive	2,769,886	5,073,336
Foreign currencies to deliver	2,770,727	5,072,186
<b>Commitments on term financial instruments</b>	<b>828,828</b>	<b>3,518,705</b>
<b>Other commitments</b>	<b>69,972</b>	<b>51,296</b>
<b>Fiduciary deposits</b>	<b>254,945</b>	<b>162,768</b>
Under specific instructions	254,945	162,768
Under discretionary investments	-	-
<b>Financial assets under management</b>	<b>10,741,272</b>	<b>9,965,556</b>
<b>Mutual Funds</b>	<b>-</b>	<b>-</b>
<b>Financial assets linked to indices and financial derivatives</b>	<b>-</b>	<b>-</b>
<b>Bad debts written off during the period</b>	<b>9,272</b>	<b>43,923</b>

## Consolidated Income Statement

	(In LBP Million)	For the period ended	30/9/2016 Unaudited	30/9/2015 Unaudited
	Interest and similar income		1,890,890	1,727,270
	Interest and similar charges		(1,127,043)	(1,049,153)
	<b>Net interest income</b>		<b>763,847</b>	<b>678,117</b>
	Fees and commission income		209,144	199,567
	Fees and commission expense		(40,153)	(34,561)
	<b>Net Fees and commission income</b>		<b>168,991</b>	<b>165,006</b>
	Net gain / (loss) on financial assets & liabilities designated at fair value through profit & loss		89,718	63,321
	out of which : Net gain / (loss) on Interest Income		7,271	11,668
	Net gain / (loss) on financial operations		65,397	3,859
	Other operating income		6,824	9,340
	<b>Total operating income</b>		<b>1,094,777</b>	<b>919,643</b>
	Credit loss expense		(53,034)	(9,774)
	out of which : Credit loss for financial instruments at amortized cost		-	-
	Provisions for impairment losses on other financial investments		(32)	-
	<b>Net operating income</b>		<b>1,041,711</b>	<b>909,869</b>
	Personnel charges		(236,047)	(216,968)
	General and other operating expenses		(131,509)	(120,245)
	Depreciation of tangible fixed assets		(26,784)	(26,674)
	Amortization of intangible fixed assets		(3,044)	(2,500)
	Provisions for impairment loss of goodwill		-	-
	<b>Total operating expenses</b>		<b>(397,384)</b>	<b>(366,387)</b>
	<b>Net operating profit</b>		<b>644,327</b>	<b>543,482</b>
	Share of profit of associate		-	-
	Net profit / (loss) from sale or disposal of other assets		202	276
	<b>Net profit before taxes</b>		<b>644,529</b>	<b>543,758</b>
	Income tax		(125,837)	(106,934)
	<b>Operating profit after tax</b>		<b>518,692</b>	<b>436,824</b>
	Net profit after tax from non-current assets held-for-sale and discontinued operations		-	-
	<b>Net profit</b>		<b>518,692</b>	<b>436,824</b>
	Attributable to equity holders of the parent		501,647	415,600
	Attributable to non-controlling interests		17,045	21,224
	EPS (Basic) in LBP		2,489	1,991
	EPS (Diluted) in LBP		2,489	1,991