



BYBLOS BANK^{SAL}

Phone: (01) 335200, Fax: (01) 339436, Web: [http:// www.byblosbank.com.lb](http://www.byblosbank.com.lb)

Capital LBP 689,113,000,000 Fully Paid, C.R.B.14150,

List of Banks No. 39, Head Office, Beirut

BOARD OF DIRECTORS

Dr. François S. Bassil - Chairman & General Manager
Mr. Semaan F. Bassil - Vice-Chairman & General Manager
Dr. Henry Toufic Azzam - Director*
Baron Guy Quaden - Director*
Proparco represented by Mrs. Marie Helene Loison - Director*
H.E. Mr. Arthur G. Nazarian - Director
H.E. Mr. Sami F. Haddad - Director
Mr. Bassam A. Nassar - Director

Mr. Faysal M. A. Tabsh - Director
Mr. Ahmad T. Tabbarah - Director
Mr. Alain C. Tohmé - Director
Mr. Abdulhadi A. Shayif - Director

AUDITING FIRMS

Ernst & Young
Messrs Semaan, Gholam & Co.

(*) Starting 10 April 2012

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Year ended 31 December 2011 (LBP millions)	Audited 31-DEC-11	Audited 31-DEC-10
ASSETS		
Cash and balances with central banks	4,282,468	2,748,642
Due from banks and financial institutions	4,330,842	3,899,011
Loans to banks and financial institutions and reverse repurchase agreements	667,488	-
Financial assets given as collateral	8,920	8,918
Derivative financial instruments	5,356	1,462
Financial assets held for trading	-	205,940
Equity instruments held at fair value through profit or loss	26,603	-
Debt instruments and other financial assets held at fair value through profit or loss	228,606	-
Net loans and advances to customers at amortized cost	6,028,914	5,673,300
Net loans and advances to related parties at amortized cost	13,406	11,940
Debtors by acceptances	331,821	291,834
Debt instruments at amortized cost	8,607,301	-
Shares and participations held at fair value through other comprehensive income	76,967	-
Available-for-sale financial instruments	-	1,875,811
Other financial assets classified as loans and receivables	-	7,490,856
Held to maturity financial instruments	-	428,698
Property and equipment	301,066	281,303
Intangible assets	1,129	1,039
Assets taken in settlement of debt	35,452	39,092
Other assets	80,974	89,546
Total Assets*	25,027,313	23,047,392

(*) After Deducting:

Reserved Interest on sub-standard, doubtful, and bad loans	62,598	59,667
Specific Provisions for doubtful and bad loans	90,206	67,018
Provisions Based on Collective Assessment	103,728	79,516



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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Year ended 31 December 2011 (LBP)	Audited 31-DEC-11	Audited 31-DEC-10
LIABILITIES AND EQUITY		
LIABILITIES		
Due to central banks	15,670	19,492
Due to banks and financial institutions	1,635,480	1,512,785
Derivative financial instruments	7,347	4,350
Customers' deposits at amortized cost	19,174,417	17,867,630
Deposits from related parties at amortized cost	151,991	112,396
Debt issued and other borrowed funds	662,290	213,501
Engagements by acceptances	331,821	291,834
Other liabilities	126,267	145,757
Provision for risks and charges	129,989	119,905
Subordinated notes	307,263	303,324
Total Liabilities	22,542,535	20,590,974
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital – common shares	684,273	434,984
Share capital – priority shares	-	249,289
Share capital – Preferred shares	4,840	4,840
share premium – Common shares	229,014	229,014
Share premium – Preferred shares	583,858	581,456
Non distributable reserves (legal and obligatory)	469,072	396,526
Distributable free reserves	79,127	79,127
Other equity instruments	14,979	14,979
Treasury shares	(25,476)	(16,189)
Retained earnings	65,214	16,484
Revaluation reserve of real estate	5,689	5,689
Change in fair value of financial instruments at fair value through other comprehensive income	(20,556)	53,993
Net results of the financial period - profit	259,894	255,770
Foreign currency translation reserve	(31,329)	(9,573)
	2,318,599	2,296,389
Non-Controlling Interest	166,179	160,029
Total Equity	2,484,778	2,456,418
Total Liabilities and Equity	25,027,313	23,047,392



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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2011 (LBP millions)	Audited 31-DEC-11	Audited 31-DEC-10
OFF-BALANCE SHEET ITEMS		
Commitments		
Commitments to banks and financial institutions	552,339	933,859
Commitments to customers	523,392	581,876
Undrawn commitments to lend	1,434,194	1,514,547
Guarantees		
Guarantees given to banks and financial institutions	423,451	401,244
Guarantees received from banks and financial institutions	47,220	81,765
Guarantees given to customers	1,036,243	1,001,197
Guarantees received from customers	24,458,189	20,151,969
Foreign Currencies Forwards		
Foreign currencies to receive	504,188	282,530
Foreign currencies to deliver	505,851	285,418
Claims from legal cases	41,174	34,907
Fiduciary assets	127,866	127,661
Asset under management	3,197,425	3,243,277
Bad debts fully provided for	91,644	98,700



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AUDITED CONSOLIDATED STATEMENT OF INCOME

Year ended 31 December 2011 (LBP millions)	Audited 31-DEC-11	Audited 31-DEC-10
Interest and similar income	1,264,737	1,224,014
Interest and similar expense	(840,373)	(796,751)
Net interest income	424,364	427,263
Fees and Commissions income	158,184	140,221
Fees and Commissions expense	(13,389)	(14,563)
Net Fees and commissions income	144,795	125,658
Net gain on financial instruments at fair value through profit or loss	61,601	-
Net trading income	-	22,158
Net gain on financial assets	4,200	100,965
Net gain or loss on financial assets at amortized cost	64,165	-
Other operating income	13,191	8,118
Total operating income	712,316	684,162
Credit loss expense	(42,770)	(29,272)
Impairment losses on other financial assets	(23,575)	(8,863)
Net operating income	645,971	646,027
Personnel expenses	(161,286)	(145,552)
Depreciation of property and equipment	(31,466)	(31,014)
Amortisation of intangibles assets	(159)	(112)
Other operating expenses	(116,136)	(134,860)
Total operating expenses	(309,047)	(311,538)
Profit before tax	336,924	334,489
Income tax expense	(65,987)	(66,670)
Profit for the period	270,937	267,819
Attributable to:		
-Equity holders of the parent	259,894	255,770
-Minority interests	11,043	12,049
	270,937	267,819
Earnings per share		
Equity holders of the parent for the year:	LL	LL
Basic earnings per share - Common ordinary shares	376.60	399.61
Basic earnings per share - Common priority shares	-	448.01
Diluted earnings per share - Common ordinary shares	356.91	374.78
Diluted earnings per share - Common priority shares	-	423.18



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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2011 (LBP millions)	Audited 31-DEC-11	Audited 31-DEC-10
Profit for the period	270,937	267,819
Elements of other comprehensive income (loss):		
Net unrealized loss from financial instruments at fair value through other comprehensive income	(3,863)	-
Net loss on available-for-sale financial assets	-	(15,968)
Exchange differences on translation of foreign operations	(37,348)	(36,090)
Income tax effect on components of other comprehensive income	1,379	4,225
Other comprehensive loss for the year, net of tax	(39,832)	(47,833)
Total comprehensive income for the year, net of tax	231,105	219,986
Attributable to:		
Equity holders of the parent	235,654	220,770
Non controlling interests	(4,549)	(784)
	231,105	219,986

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2011 (LBP millions)	Audited 31-DEC-11	Audited 31-DEC-10
OPERATING ACTIVITIES		
Profit before tax	336,924	334,489
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	31,625	30,115
Provision for loans and advances and direct write offs, net	49,363	24,543
(Write-back) provision for other doubtful bank accounts, net	(6,593)	4,729
Impairment losses on other financial assets, net	23,575	8,863
Loss (gain) on disposal of property and equipment	88	(900)
Gain on disposal of assets taken in settlement of debt	(3,877)	(3,914)
Provisions for risks and charges, net	14,300	26,485
Unrealized fair value losses (gains) on financial instruments	6,339	(14,482)
Realized gains from financial instruments	(70,052)	(102,297)
Derivative financial instruments	(897)	13,322
Impairment provision on property and equipment	-	1,011
Operating profit before working capital changes	380,795	321,964
Changes in operating assets and liabilities		
Due from central banks	(499,978)	(8,284)
Due from banks and financial institutions	229,110	(7,189)
Financial assets given as collateral	(2)	(7,725)
Equity instruments at fair value through profit or loss	(1,713)	-
Debt instruments and other financial assets at fair value through profit or loss	(618)	-
Due to banks and financial institutions	(153,308)	(1,971)
Cash collateral on securities lent and repurchase agreements	-	(1,193)
Financial assets held for trading	-	19,389
Net loans and advances to customers and related parties	(406,443)	(887,365)
Other assets	9,633	(6,382)
Customers' and related parties' deposits	1,346,382	2,444,386
Other liabilities	(13,437)	7,674
Cash from operations	890,421	1,873,304
Provision for risks and charges paid	(4,216)	(1,810)
Taxation paid	(62,844)	(73,066)
Net cash from operating activities	823,361	1,798,428
INVESTING ACTIVITIES		
Available for sale financial instruments	-	(73,091)
Financial assets classified as loans and receivables	-	(747,574)
Held to maturity financial instruments	-	136,092
Debt instruments at amortized cost	427,407	-
Equity instruments at fair value through other comprehensive income	(143)	-
Loans to banks and financial institutions and reserve purchase agreements	(37,491)	-
Purchase of property and equipment and intangible assets	(57,381)	(59,992)
Proceeds from sale of property and equipment	1,170	2,552
Assets taken in settlement of debt	(829)	(5,389)
Proceeds from sale of assets taken in settlement of debt	8,346	8,778
Acquisition of subsidiary, net of cash acquired	-	(12,557)
Acquisition of additional non-controlling interest	(8,584)	-
Net cash from (used in) investing activities	332,495	(751,181)
FINANCING ACTIVITIES		
Issuance of ordinary common shares	-	374,867
Issuance of other equity instruments	-	14,979
Due to central banks	(1,265)	9,865
Debts issued and other borrowed funds	448,789	(77,462)
Subordinated notes	3,939	3,690
Treasury shares	(9,007)	(15,557)
Dividends paid to equity holders of the parent (net)	(170,439)	(128,553)
Dividends paid to non-controlling interest	(3,883)	(5,966)
Non-controlling interest share in a capital increase of a subsidiary	23,473	38,037
Non-controlling interest in a liquidated subsidiary	-	(1,812)
Net cash from financing activities	291,607	212,088
Effect of exchange rates on:		
Property and equipment	4,645	13,591
Foreign currency translation differences	(37,348)	(36,090)
Reserves and premiums	(10)	-
Net effect of foreign exchange rates	(32,713)	(22,499)
INCREASE IN CASH AND CASH EQUIVALENTS	1,414,750	1,236,836
Cash and cash equivalents at 1 January	4,735,368	3,498,532
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	6,150,118	4,735,368
Operational cash flows from interest and dividends		
Interest paid	(834,902)	(787,332)
Interest received	1,249,141	1,207,341
Dividend received	5,214	4,987