

CONSOLIDATED FINANCIAL STATEMENTS

As at 30 September 2016

**CAPITAL LBP 689,113,198,400 FULLY PAID,
TOTAL EQUITY LBP 2,979,749,892,000 | C.R.B.14150,
LIST OF BANKS NO. 39, HEAD OFFICE - BEIRUT**



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2016 (LBP millions)

	Unaudited 30-Sep-16	Audited 31-Dec-15
ASSETS		
Cash and balances with central banks	8,240,318	7,236,237
Due from banks and financial institutions	2,581,290	2,518,365
Loans to banks and financial institutions and reverse repurchase agreements	669,719	1,197,047
Financial assets given as collateral	1,429	1,405
Derivative financial instruments	1,120	1,844
Shares and participations held at fair value through profit or loss	39,760	35,669
Debt instruments and other financial assets held at fair value through profit or loss	809,185	260,176
of which: Net loans and advances designated at fair value through profit or loss	-	-
Net loans and advances to customers at amortized cost*	7,714,754	7,398,108
Net loans and advances to related parties at amortized cost	30,387	35,275
Debtors by acceptances	204,088	244,705
Shares and participations held at fair value through other comprehensive income	101,764	101,906
Debt instruments held at amortized cost	10,119,347	10,516,514
Property and equipment	262,697	255,124
Goodwill and intangible assets	41,003	494
Assets taken in settlement of debt	42,654	42,006
Other assets	152,650	108,001
TOTAL ASSETS*	31,012,165	29,952,876

(*) After Deducting:

Reserved Interest on sub-standard, doubtful, and bad loans	102,650	80,672
Specific Provisions for doubtful and bad loans	192,187	183,738
Provisions Based on Collective Assessment	161,262	131,448

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As at 30 September 2016 (LBP millions)	Unaudited 30-Sep-16	Audited 31-Dec-15
LIABILITIES AND EQUITY		
LIABILITIES		
Due to central banks	164,943	117,413
Due to banks and financial institutions	664,873	744,554
Derivative financial instruments	2,169	2,445
Customers' deposits at amortized cost	25,475,173	24,658,431
Deposits from related parties at amortized cost	410,869	421,716
Engagements by acceptances	204,088	244,705
Debt issued and other borrowed funds	451,984	445,199
Other liabilities	474,855	148,489
Provision for risks and charges	183,464	169,082
Subordinated notes	418,590	417,400
TOTAL LIABILITIES	28,451,008	27,369,434
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital – Common ordinary shares	684,273	684,273
Share capital – Preferred shares	4,840	4,840
Issue premium – Common ordinary shares	229,013	229,013
Issue premium – Preferred shares	591,083	591,083
Reserves not available for distribution (legal and statutory)	876,830	815,885
Reserves available for distribution	104,065	99,211
Treasury shares	(7,479)	(6,807)
Retained earnings	62,073	61,832
Revaluation reserve of real estate	5,689	5,689
Reserve on revaluation of financial assets at fair value through OCI	(9,273)	(7,961)
Net results of the financial period - profit	156,154	228,184
Foreign currency translation reserve	(211,716)	(193,842)
	2,485,552	2,511,400
NON-CONTROLLING INTEREST	75,605	72,042
TOTAL EQUITY	2,561,157	2,583,442
TOTAL LIABILITIES AND EQUITY	31,012,165	29,952,876

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	Unaudited 30-Sep-16	Audited 31-Dec-15
OFF-BALANCE SHEET ITEMS		
Financing Commitments		
Financing commitments given to banks & financial institutions	278,339	376,038
Financing commitments received from banks & financial institutions	88,677	104,860
Engagement to customers	2,709,941	2,344,258
Bank guarantees		
Guarantees given to banks & financial institutions	273,940	278,610
Guarantees given to customers	1,025,653	972,772
Guarantees received from customers	26,594,769	26,566,462
Foreign Currencies Forwards		
Foreign currencies to receive	312,059	413,705
Foreign currencies to deliver	313,041	414,305
Claims from legal cases	41,553	42,028
Fiduciary assets	166,087	149,513
Asset under management	3,232,960	3,296,110
Bad debts fully provided for	120,794	118,539

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CONSOLIDATED INCOME STATEMENT

Period ended 30 September 2016 (LBP millions)	Unaudited 30-Sep-16	Unaudited 30-Sep-15
Interest and similar income	1,154,340	1,110,006
Interest and similar expense	(877,076)	(817,960)
NET INTEREST INCOME	277,264	292,046
Fees and Commissions income	100,785	100,965
Fees and Commissions expense	(9,205)	(9,310)
NET FEES AND COMMISSIONS INCOME	91,580	91,655
Net gain from financial instruments at fair value through profit or loss	82,624	59,164
of which: interest revenues/charges	39,768	8,614
Net gain or loss on financial assets at amortized cost	52,499	57,485
Revenue from financial assets at fair value through other comprehensive income	3,873	3,932
Other operating income	16,410	16,269
TOTAL OPERATING INCOME	524,250	520,551
Credit loss expense	(27,882)	(20,001)
NET OPERATING INCOME	496,368	500,550
Personnel expenses	(153,479)	(142,730)
Depreciation and amortization	(16,428)	(17,490)
Amortisation of intangibles assets	(345)	(119)
Other operating expenses	(95,392)	(93,072)
TOTAL OPERATING EXPENSES	(265,644)	(253,410)
OPERATING PROFIT	230,724	247,140
Provision for risks and charges	(11,035)	(35,138)
PROFIT BEFORE TAX	219,689	212,002
Income tax expense	(48,347)	(41,527)
PROFIT FOR THE PERIOD	171,342	170,475
Attributable to:		
Equity holders of the parent	156,154	157,083
Minority interests	15,188	13,392
	171,342	170,475
Earnings per share		
Equity holders of the parent for the period:	LL	LL
Basic earnings per share - Common ordinary shares	212.84	214.41
Diluted earnings per share - Common ordinary shares	205.53	206.77

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Period ended 30 September 2016 (LBP millions)	Unaudited 30-Sep-16	Unaudited 30-Sep-15
PROFIT FOR THE PERIOD	171,342	170,475
OTHER COMPREHENSIVE INCOME (LOSS)		
Items to be reclassified to the income statement in subsequent periods:		
Exchange difference on translation of foreign operations	(27,052)	(39,917)
Net other comprehensive loss to be reclassified to the income statement in subsequent periods	(27,052)	(39,917)
Items not to be reclassified to the income statement in subsequent periods:		
Net unrealized (loss) gain from financial assets at fair value through other comprehensive income	(1,297)	(5,052)
Income tax effect	(15)	758
Net other comprehensive income not to be reclassified to the income statement in subsequent periods	(1,312)	(4,294)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD NET OF TAX	(28,364)	(44,211)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	142,978	126,264
Attributable to:		
Equity holders of the parent	136,967	122,880
Non-controlling interests	6,011	3,384
	142,978	126,264