

# CONSOLIDATED FINANCIAL STATEMENTS

## As at 31 December 2013

**CAPITAL LBP 689,113,198,400 FULLY PAID,  
TOTAL EQUITY LBP 2,922,361,000,000 | C.R.B.14150,  
LIST OF BANKS NO. 39, HEAD OFFICE - BEIRUT**



- Total Assets increased by 8.6% in 2013 reaching US\$ 18.5 billion as at 31/12/2013.
- Total Customer Deposits increased by 10.2% in 2013 reaching US\$ 14.7 billion as at 31/12/2013.
- Net Customers' Loans increased by 9.5% in 2013 reaching US\$ 4.5 billion as at 31/12/2013.
- Net Income for 2013 stood at US\$ 157.1 million, decreasing by 6% due to the allocation of Net Provisions of USD 57.3 million during 2013.
- Net Non Performing Loans (net of specific provisions and reserved interest) to Net loans stood at 1.0%; Coverage ratio (including specific and collective provisions and reserved interests) stood at 118.0%
- A high liquidity ratio (Due from banks and Central banks (including reserve requirements, current accounts, Long-Term placements and Certificates of Deposits) to customers deposits) of 63.0% at the end of December 2013.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2013 (LBP millions)

	Unaudited 31-Dec-13	Audited 31-Dec-12
<b>ASSETS</b>		
Cash and balances with central banks	5,809,930	5,507,572
Due from banks and financial institutions	3,353,308	3,216,533
Loans to banks and financial institutions and reverse repurchase agreements	614,866	458,707
Financial assets given as collateral	7,005	8,923
Derivative financial instruments	3,824	12,174
Shares and participations held at fair value through profit or loss	32,964	26,127
Debt instruments and other financial assets held at fair value through profit or loss of which: Net loans and advances designated at fair value through profit or loss	124,473	274,782
Net loans and advances to customers at amortized cost	6,784,982	6,195,104
Net loans and advances to related parties at amortized cost	18,546	15,815
Debtors by acceptances	445,957	316,232
Shares and participations held at fair value through other comprehensive income	84,971	78,663
Debt instruments held at amortized cost	10,198,204	9,145,626
Property and equipment	243,150	265,394
Intangible assets	812	970
Assets taken in settlement of debt	36,379	33,202
Other assets	108,666	94,385
<b>TOTAL ASSETS</b>	<b>27,868,037</b>	<b>25,650,209</b>
(*) After Deducting:		
Reserved Interest on sub-standard, doubtful, and bad loans	82,818	71,348
Specific Provisions for doubtful and bad loans	209,024	167,778
Provisions Based on Collective Assessment	128,402	112,732

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### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2013 (LBP millions)	Unaudited 31-Dec-13	Audited 31-Dec-12
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Due to central banks	52,256	17,918
Due to banks and financial institutions	1,391,878	1,327,048
Derivative financial instruments	3,063	8,613
Customers' deposits at amortized cost	21,981,415	19,967,531
Deposits from related parties at amortized cost	252,933	208,102
Engagements by acceptances	445,957	316,232
Debt issued and other borrowed funds	506,489	508,711
Other liabilities	171,169	262,885
Provision for risks and charges	140,516	130,465
Subordinated notes	412,368	410,896
<b>TOTAL LIABILITIES</b>	<b>25,358,044</b>	<b>23,158,401</b>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>		
Share capital – Common ordinary shares	684,273	684,273
Share capital – Preferred shares	4,840	4,840
Issue premium – Common ordinary shares	229,014	229,014
Issue premium – Preferred shares	588,671	586,259
Reserves not available for distribution (legal and statutory)	672,317	568,145
Reserves available for distribution	103,005	99,659
Other equity instruments	-	14,979
Treasury shares	(10,054)	(25,302)
Retained earnings	50,712	74,024
Revaluation reserve of real estate	5,689	5,689
Reserve on revaluation of financial assets at fair value through OCI	(18,279)	(23,634)
Net results of the financial period - profit	225,458	246,452
Foreign currency translation reserve	(123,650)	(92,762)
	2,411,996	2,371,636
<b>NON-CONTROLLING INTEREST</b>	<b>97,997</b>	<b>120,172</b>
<b>TOTAL EQUITY</b>	<b>2,509,993</b>	<b>2,491,808</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>27,868,037</b>	<b>25,650,209</b>

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### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2013 (LBP millions)

	Unaudited 31-Dec-13	Audited 31-Dec-12
<b>OFF-BALANCE SHEET ITEMS</b>		
<b>Financing Commitments</b>		
Financing commitments given to banks & financial institutions	510,908	507,325
Financing commitments received from banks & financial institutions	167,962	37,935
Engagement to customers	353,118	470,839
<b>Bank guarantees</b>		
Guarantees given to banks & financial institutions	416,963	418,219
Guarantees given to customers	1,124,712	1,029,948
Guarantees received from customers	29,548,264	25,903,693
<b>Foreign Currencies Forwards</b>		
Foreign currencies to receive	651,027	535,836
Foreign currencies to deliver	645,224	532,275
Claims from legal cases	48,261	41,529
Fiduciary assets	150,619	124,646
Asset under management	3,137,688	3,232,693
Bad debts fully provided for	59,818	76,515

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### CONSOLIDATED INCOME STATEMENT

Year ended 31 December 2013 (LBP millions)	Unaudited 31-Dec-13	Audited 31-Dec-12
Interest and similar income	1,306,061	1,274,746
Interest and similar expense	(947,081)	(884,216)
<b>NET INTEREST INCOME</b>	<b>358,980</b>	<b>390,530</b>
Fees and Commissions income	151,916	146,786
Fees and Commissions expense	(15,036)	(14,120)
<b>NET FEES AND COMMISSIONS INCOME</b>	<b>136,880</b>	<b>132,666</b>
Net gain from financial instruments at fair value through profit or loss	85,508	88,078
of which: interest revenues/charges	17,514	12,111
Net gain from other financial assets	1,707	4,491
Net gain or loss on financial assets at amortized cost	79,862	65,995
Other operating income	21,472	27,484
<b>TOTAL OPERATING INCOME</b>	<b>684,409</b>	<b>709,244</b>
Credit loss expense	(86,422)	(106,287)
Impairment losses on other financial assets	419	19,490
<b>NET OPERATING INCOME</b>	<b>598,406</b>	<b>622,447</b>
Personnel expenses	(163,270)	(154,321)
Depreciation of property and equipment	(27,220)	(31,123)
Amortisation of intangibles assets	(159)	(159)
Other operating expenses	(124,912)	(139,891)
<b>TOTAL OPERATING EXPENSES</b>	<b>(315,561)</b>	<b>(325,494)</b>
<b>PROFIT BEFORE TAX</b>	<b>282,845</b>	<b>296,953</b>
Income tax expense	(45,942)	(44,691)
<b>PROFIT FOR THE PERIOD</b>	<b>236,903</b>	<b>252,262</b>
<b>Attributable to:</b>		
Equity holders of the parent	225,458	246,450
Minority interests	11,445	5,812
	236,903	252,262
<b>Earnings per share</b>		
Equity holders of the parent for the year:	LL	LL
Basic earnings per share - Common ordinary shares	315.06	352.70
Diluted earnings per share - Common ordinary shares	298.79	337.32

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### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2013 (LBP millions)	Unaudited 31-Dec-13	Audited 31-Dec-12
<b>Profit for the period</b>	<b>236,903</b>	<b>252,262</b>
Net unrealized loss from financial instruments at fair value through other comprehensive income	6,228	(3,605)
Exchange differences on translation of foreign operations	(30,888)	(109,946)
Re-measurement gain on defined benefit plan	1,334	-
Income tax effect on components of other comprehensive income	(873)	527
<b>Other comprehensive income (loss) for the period</b>	<b>(24,199)</b>	<b>(113,024)</b>
<b>Total comprehensive income for the period</b>	<b>212,704</b>	<b>139,238</b>
<b>Attributable to:</b>		
Equity holders of the parent	231,670	181,939
Minority interests	(18,966)	(42,701)
	<b>212,704</b>	<b>139,238</b>