

Financial Highlights March 2017

Following are the main highlights of BLC Bank for the period ending March 31, 2017

I. Income Statement:

- ∞ The Bank's Consolidated Net Income reached US **\$10.52** M till March 2017 which is 14% above the same period of 2016.
- ∞ Recurrent income from the operations in Lebanon, which is constituted mainly of net interest and net commissions, reached **\$13.1** M till March 2017, up by **+6.2%** from the **\$12.33** M registered till March 2016.

//. Statement of Financial Position:

A. Consolidated

- Consolidated Total Assets slightly decreased during the first quarter of 2017 to reach US **\$5.72** billion as at March 31, 2017 compared to US **\$5.74** as at December 31, 2016, and increased by **+3%** YOY basis.
- Consolidated net total loans increased by 1.1%, from \$1.85 billion in 2016 to \$ 1.87 billion as at March 31, 2017.
- Consolidated total deposits decreased by **-1.2%** in Q1 2017 to settle at **\$4.6** B compared to **\$4.7** B as at December 31, 2016, and increased by **+1.6%** YOY basis.
- The bank's regulatory liquidity ratio in foreign currency stands at **23%** as at March 31 2017, compared to a **10%** requested by BDL.
- Consolidated Capital Adequacy ratio stands at **16.3%**, compared to a **14%** required by the Central Bank

Consolidated Income Statement

| | Unaudited 31.03.2017 (000's \$) | Unaudited 31.12.2016 (000's \$) |
|---|---------------------------------------|---------------------------------------|
| Interest Income | 78,734 | 313,733 |
| Interest Expense | (48,856) | (194,292) |
| Net Interest Income | 29,878 | 119,441 |
| Fee and Commission Income | 5,417 | 21,747 |
| Fee and Commission Expense | (595) | (2,902) |
| Net fee and commission income | 4,822 | 18,846 |
| Net Interest and Gain / (Loss) on Fair Value securities | 2,594 | 13,532 |
| Other Operating Income | 802 | 4,329 |
| Net Financial Revenues | 38,095 | 156,148 |
| Allowance for Impairment of Loans and Advances (net) | (3,532) | (19,567) |
| Loans direct write off (net) | 34 | 8 |
| Write-back of Discount on Loan Portfolio Purchased | 17 | 405 |
| Net Financial Revenues after impairment loss / write back | 34,613 | 136,993 |
| Gain on disposal of property and equipment and properties acquired in satisfaction of debts | 200 | 922 |
| Allowance for contingencies (net) | (155) | 230 |
| Recognized contribution | - | 4,852 |
| Change in fair value of investment properties | (149) | (631) |
| Staff costs | (13,867) | (53,099) |
| Administrative expenses | (6,472) | (27,701) |
| Depreciation and Amortization | (1,533) | (5,992) |
| Profit before income tax | 12,637 | 55,573 |
| Income Tax expense | (2,116) | (8,228) |
| Net profit for the period | 10,521 | 47,345 |
| Attributable to: | | |
| Equity holders of the bank | 10,526 | 47,256 |
| Non controlling interest | (5) | 89 |
| | 10,521 | 47,345 |

Consolidated Statement Of Financial Position

Amounts in (000's USD)

| | Unaudited 31.03.2017 | Unaudited 31.12.2016 |
|---|-------------------------|-------------------------|
| ASSETS | | |
| Cash and Central bank | 814,809 | 867,299 |
| Deposits with banks and financial institutions | 339,700 | 295,194 |
| Loans to Banks | 2,326 | 2,809 |
| Investment securities at FVPL | 263,354 | 265,291 |
| Loans and advances to customers | 1,865,506 | 1,845,718 |
| Investment Securities at amortized cost | 2,165,741 | 2,201,492 |
| Investment Securities at FVOCI | 11,608 | 11,607 |
| Customers ' liability under acceptances | 24,354 | 22,479 |
| Assets acquired in satisfaction of loans | 120,097 | 119,643 |
| Investment Property | 12,780 | 12,655 |
| Properties and equipment | 59,537 | 56,840 |
| Intangible assets | 1,647 | 1,811 |
| Deferred charges | 15,288 | 17,868 |
| Goodwill | 3,937 | 3,898 |
| Other assets | 22,393 | 20,037 |
| Total Assets | 5,723,077 | 5,744,641 |
| LIABILITIES | | |
| Deposits and borrowings from banks | 29,656 | 27,798 |
| Customers' accounts at amortized cost | 4,632,430 | 4,690,500 |
| Liabilities under acceptances | 24,354 | 22,479 |
| Other borrowings | 279,731 | 272,885 |
| Other liabilities | 89,908 | 74,698 |
| Deferred Liability(Collective provision IFRS 9) | 41,922 | 41,922 |
| Provisions | 36,626 | 36,449 |
| Total Liabilities | 5,134,626 | 5,166,731 |
| SHAREHOLDERS' EQUITY | | |
| Capital | 141,360 | 141,360 |
| Capital - Preferred shares | 1,095 | 1,095 |
| Premium on preferred shares | 163,905 | 163,905 |
| Reserves | 83,225 | 82,998 |
| Special reserve for assets acquired in satisfaction of debts | 33,118 | 33,345 |
| Cumulative translation adjustment | (213) | (97) |
| Retained earnings | 146,090 | 98,749 |
| Property revaluation reserve | 226 | 224 |
| Cumulative change in fair value of OCI securities | 5,121 | 5,121 |
| Net Profit for the Period | 10,526 | 47,256 |
| Total attributable to the equity holders of the parent | 584,454 | 573,957 |
| Non controlling interest | 3,997 | 3,953 |
| Total Equity | 588,451 | 577,910 |
| Total liabilities and Shareholders' Equity | 5,723,077 | 5,744,641 |