

Financial Highlights December 2016

Following are the main highlights of BLC Bank for the period ending December 31, 2016

A. Income Statement:

- The Bank's Consolidated Net Income reached US **\$45.1 M** in 2016 which is 2% above 2015.
- Recurrent income from the operations in Lebanon, which is constituted mainly of net interest and net commissions, reached **\$51.5 M** in 2016, up by +**3.6%** from the **\$49.7 M** registered in 2015.

B. Statement of Financial Position:

- Consolidated Total Assets remained unchanged in 2016 to reach US **\$5.75 billion** as at December 31, 2016 compared to US **\$5.74** as at December 31, 2015, following the redemption of many special loans during 2016 and despite the decrease in Euro /\$ rate during 2016 which had a negative impact on consolidation.
- Total Deposits increased by +**2.4%** in 2016 to settle at **\$4.7 B** compared to **\$4.6 B** as at December 31, 2015.
- The bank's regulatory liquidity ratio in foreign currency stands at **23%** as at December 31 2016, compared to a **10%** requested by BDL.
- The consolidated Capital Adequacy ratio stands at **15%**, compared to a **12%** required by the Central Bank

Consolidated Income Statement

	Unaudited 31-Dec-16 <i>(000's \$)</i>	Audited 31-Dec-15 <i>(000's \$)</i>
Interest Income	314,478	316,417
Interest Expense	(194,292)	(190,519)
Net Interest Income	120,186	125,898
Fee and Commission Income	21,747	21,420
Fee and Commission Expense	(2,902)	(3,275)
Net fee and commission income	18,846	18,145
Net Interest and Gain / (Loss) on Fair Value securities	13,532	5,283
Gain from derecognition of financial assets measured at AC.	-	1,988
Other Operating Income	4,329	5,307
Net Financial Revenues	156,893	156,621
Allowance for Impairment of Loans and Advances (net)	(17,644)	(24,155)
Loans direct write off (net)	8	(128)
Write-back of Discount on Loan Portfolio Purchased	405	234
Net Financial Revenues after impairment loss / write back	139,662	132,573
Income originated from contractual future cash flows	-	7,958
Gain on disposal of property and equipment and properties acquired in satisfaction of debts	922	354
Allowance for contingencies	229	(349)
Change in fair value of investment properties	(672)	(1,584)
Staff costs	(53,105)	(51,315)
Administrative expenses	(27,615)	(28,289)
Depreciation and Amortization	(5,992)	(5,563)
Profit before income tax	53,430	53,784
Income Tax expense	(8,228)	(9,664)
Net profit for the period	45,202	44,120
Attributable to:		
Equity holders of the bank	45,114	44,179
Non controlling interest	88	(59)
	45,202	44,120

Consolidated Statement Of Financial Position

Amounts in (000's USD)

	Unaudited	Audited
	31-Dec-16	31-Dec-15
<u>ASSETS</u>		
Cash and Central bank	867,299	681,029
Deposits with banks and financial institutions	295,194	309,116
Loans to Banks	2,809	3,277
Investment securities at FVPL	265,291	128,151
Loans and advances to customers	1,848,306	1,907,262
Investment Securities at amortized cost	2,201,492	2,444,350
Investment Securities at FVOCI	11,045	12,857
Customers ' liability under acceptances	22,479	19,713
Assets acquired in satisfaction of loans	57,026	59,569
Investment Property	75,461	51,372
Properties and equipment	56,736	55,153
Intangible assets	1,811	1,948
Deferred charges	17,868	41,773
Goodwill	3,898	4,021
Other assets	20,120	21,499
Total Assets	5,746,834	5,741,089
<u>LIABILITIES</u>		
	31-Dec-16	31-Dec-15
Deposits and borrowings from banks	27,798	748
Customers' accounts at amortized cost	4,690,579	4,582,367
Liabilities under acceptances	22,479	19,713
Other borrowings	272,885	562,544
Other liabilities	74,462	64,569
Collective provisions for IFRS9	46,774	-
Provisions	36,449	5,899
Total Liabilities	5,171,426	5,235,839
<u>SHAREHOLDERS' EQUITY</u>		
Capital	141,360	101,294
Capital - Preferred shares	1,095	862
Premium on preferred shares	163,905	129,138
Reserves	82,998	112,157
Special reserve for assets acquired in satisfaction of debts	33,345	24,833
Cumulative translation adjustment	(89)	(0)
Retained earnings	98,832	82,353
Property revaluation reserve	282	112
Cumulative change in fair value of OCI securities	4,643	6,431
Net Profit for the Period	45,114	44,179
Total attributable to the equity holders of the parent	571,483	501,359
Non controlling interest	3,925	3,891
Total Equity	575,409	505,250
Total liabilities and Shareholders' Equity	5,746,834	5,741,089