

## **Financial Highlights September 2019 (Unaudited)**

**Following are the main highlights of BLC Bank for the period ending September 30, 2019**

### **I. Income Statement:**

- ∞ The Bank's Consolidated Net Income reached \$15.5 M till September 2019, compared to \$28.9 M for the same period of 2018. The decrease is due to the economic crisis, sovereign downgrade and the continuous increase in cost of funds and shrinking margins.
- ∞ Tax on interest increased from \$7.2 M in September 2018 to \$9.3 M (+29%) for the period ending September 30, 2019
- ∞ Total staff costs reached **\$34.0 M** till September 2019, decreasing by 2% compared to September 2018.
- ∞ Total operating expenses, reached **\$15.3 M** till September 2019, stable compared to September 2018.

### **II. Statement of Financial Position:**

- Total Assets remained stable \$ 5.04 B during Q3 2019 compared to December 18 (\$5.05B).
- Net loans decreased in Q3 2019 by \$ 153 M (-9%) compared to December 2018.
- Total deposits decreased in Q3 2019 by \$ 193 M (-4%) compared to December 2018, to settle at **\$3.77 B**.
- The bank's regulatory liquidity ratio in foreign currency stands at **18.5%** as at September 30, 2019, compared to a **10%** requested by BDL.
- Capital Adequacy ratio stands at **14.8%**, despite Lebanon downgrade, compared to a **12%** required by the Central Bank for September 2019.

## Income Statement

	Unaudited 30.09.2019	Unaudited 30.09.2018
<i>Amounts in (000's USD)</i>		
Interest Income	256,638	235,966
Less: tax on interest	(9,259)	(7,222)
Interest Income: net of tax	247,379	228,744
Interest Expense	(199,813)	(161,006)
<b>Net Interest Income</b>	<b>47,566</b>	<b>67,738</b>
Fee and Commission Income	15,150	15,033
Fee and Commission Expense	(2,475)	(1,599)
<b>Net fee and commission income</b>	<b>12,675</b>	<b>13,434</b>
Net Interest and Gain / (Loss) on Fair Value securities	87	2,333
Other Operating Income	2,869	2,709
<b>Net Financial Revenues</b>	<b>63,196</b>	<b>86,213</b>
Write back / (provision) for credit losses	3,672	1,708
Write back / (provision) of Financial Investment	3,484	-
<b>Net Financial Revenues after impairment loss / write back</b>	<b>70,353</b>	<b>87,921</b>
Gain on disposal of property and equipment and properties acquired in satisfaction of debts	263	(33)
Allowance for contingencies ( net)	(18)	(516)
Staff costs	(34,016)	(34,729)
Administrative expenses	(15,321)	(15,041)
Depreciation and Amortization	(3,590)	(3,098)
<b>Profit before income tax</b>	<b>17,671</b>	<b>34,506</b>
Income Tax expense	(2,217)	(5,563)
<b>Net profit for the year</b>	<b>15,454</b>	<b>28,944</b>
<b>Attributable to:</b>		
Equity holders of the bank	15,437	28,912
Non controlling interest	16	32
	<b>15,454</b>	<b>28,944</b>

## Statement Of Financial Position

Amounts in (000's USD)

	Unaudited	Audited
	30.09.2019	31.12.2018
<b><u>ASSETS</u></b>		
Cash and Central bank	1,270,642	1,113,627
Deposits with banks and financial institutions	146,259	191,747
Loans to Banks	1,369	1,829
Investment securities at FVPL	29,192	36,794
Loans and advances to customers	1,483,682	1,607,073
Investment Securities at amortized cost	1,554,851	1,707,753
Investment Securities at FVOCI	69,547	75,296
Customers ' liability under acceptances	28,431	21,187
Investment in subsidiaries	57,098	74,136
Assets acquired in satisfaction of loans	56,150	55,629
Properties and equipment	63,619	59,632
Financial assets against structured transaction	262,494	88,347
Intangible assets	3,300	2,881
Other assets	17,833	17,247
<b>Total Assets</b>	<b>5,044,467</b>	<b>5,053,177</b>
<b><u>LIABILITIES</u></b>		
	30.09.2019	31.12.2018
Deposits and borrowings from banks	177,336	98,966
Customers' accounts at amortized cost	3,714,896	3,908,047
Soft leverage arrangements with BDL	262,494	88,347
Liabilities under acceptances	28,703	21,444
Other borrowings	262,426	295,380
Other liabilities	52,514	52,360
Provisions	14,272	13,218
<b>Total Liabilities</b>	<b>4,512,642</b>	<b>4,477,763</b>
<b><u>SHAREHOLDERS' EQUITY</u></b>		
Capital	141,957	141,725
Treasury shares	(50,099)	-
Preferred shares	101,351	101,351
Reserves	126,179	113,582
Special reserve for assets acquired in satisfaction of debts	48,373	44,442
Retained earnings	146,516	129,161
Cumulative change in fair value of OCI securities	1,874	3,966
Net Profit for the Period	15,438	40,961
<b>Total attributable to the equity holders of the parent</b>	<b>531,588</b>	<b>575,187</b>
<b>Non controlling interest</b>	237	228
<b>Total Equity</b>	<b>531,825</b>	<b>575,415</b>
<b>Total liabilities and Shareholders' Equity</b>	<b>5,044,467</b>	<b>5,053,177</b>