

## Financial Highlights September 2016

Following are the main highlights of BLC Bank SAL for the period ending September 30, 2016

### A. Income Statement:

- ∞ The Bank's Consolidated Net Income reached US **\$27.8 M** in September 2016 which is 15% below the same period of last year. The drop is due to the booking of additional provisions in USB bank (BLCBANK subsidiary in Cyprus).
- ∞ Excluding the impact of USB bank financials, the result from the operations in Lebanon show a net income amounting to **\$33.2 M** which is **+1.1%** above same period of 2015.
- ∞ Recurrent income from the operations in Lebanon, which is constituted mainly of net interest and net commissions, reached **\$38.7 M** in September 2016, up by **+7.0%** from the **\$36.2 M** registered in September 2015.

### B. Statement of Financial Position:

- Consolidated Total Assets decreased by **4.7%** in the first 3 quarters of 2016 to reach US **\$5.47** billion as at September 30, 2016 compared to US **\$5.74** as at December 31, 2015. The decrease is due to the maturity of a special loan during 2016.
- Total Deposits remained stable as at September 30, 2016 to settle at **\$4.5 B** compared to December 31, 2015.
- The Cost of fund remained stable despite the challenging and aggressive operating environment.
- The bank's regulatory liquidity ratio in foreign currency stands at **16.6%** as at September 30 2016, compared to a **10%** requested by BDL.
- The consolidated Capital Adequacy ratio stands at **14.2%**, compared to a **12%** required by the Central Bank

## Consolidated Income Statement

	Unaudited 30-Sep-16 <i>(000's \$)</i>	Audited 31-Dec-15 <i>(000's \$)</i>
Interest Income	235,642	316,417
Interest Expense	(145,902)	(190,519)
<b>Net Interest Income</b>	<b>89,740</b>	<b>125,898</b>
Fee and Commission Income	16,078	21,420
Fee and Commission Expense	(2,094)	(3,275)
<b>Net fee and commission income</b>	<b>13,985</b>	<b>18,145</b>
Net Interest and Gain / (Loss) on Fair Value securities	5,024	5,283
Gain from derecognition of financial assets measured at AC.	-	1,988
Other Operating Income	3,270	5,307
<b>Net Financial Revenues</b>	<b>112,019</b>	<b>156,621</b>
Allowance for Impairment of Loans and Advances (net)	(13,882)	(24,155)
Loans direct write off (net)	7	(128)
Write-back of Discount on Loan Portfolio Purchased	398	234
<b>Net Financial Revenues after impairment loss / write back</b>	<b>98,542</b>	<b>132,573</b>
Income originated from contractual future cash flows	-	7,958
Gain on disposal of property and equipment and properties acquired in satisfaction of debts	409	354
Allowance for contingencies	(198)	(349)
Change in fair value of investment properties	(662)	(1,584)
Staff costs	(39,890)	(51,315)
Administrative expenses	(20,044)	(28,289)
Depreciation and Amortization	(4,443)	(5,563)
<b>Profit before income tax</b>	<b>33,715</b>	<b>53,784</b>
Income Tax expense	(5,960)	(9,664)
<b>Net profit for the period</b>	<b>27,754</b>	<b>44,120</b>
<b>Attributable to:</b>		
Equity holders of the bank	27,743	44,179
Non controlling interest	11	(59)
	<b>27,754</b>	<b>44,120</b>

## Consolidated Statement Of Financial Position

Amounts in (000's USD)

	Unaudited 30-Sep-16	Audited 31-Dec-15
<b><u>ASSETS</u></b>		
Cash and Central bank	627,913	681,029
Deposits with banks and financial institutions	197,694	309,116
Loans to Banks	2,790	3,277
Investment securities at FVPL	111,433	128,151
Loans and advances to customers	1,842,673	1,907,262
Investment Securities at amortized cost	2,447,172	2,444,350
Investment Securities at FVOCI	11,048	12,857
Customers ' liability under acceptances	14,909	19,713
Assets acquired in satisfaction of loans	58,957	59,569
Investment Property	54,973	51,372
Properties and equipment	55,197	55,153
Intangible assets	1,874	1,948
Deferred charges	20,505	41,773
Goodwill	4,117	4,021
Other assets	20,500	21,499
<b>Total Assets</b>	<b>5,471,755</b>	<b>5,741,089</b>
<b><u>LIABILITIES</u></b>		
	<b>30-Sep-16</b>	<b>31-Dec-15</b>
Deposits and borrowings from banks	769	748
Customers' accounts at amortized cost	4,523,540	4,582,367
Liabilities under acceptances	14,909	19,713
Other borrowings	251,688	562,544
Other liabilities	82,978	64,569
Collective provisions for IFRS9	33,061	-
Provisions	6,747	5,899
<b>Total Liabilities</b>	<b>4,913,692</b>	<b>5,235,839</b>
<b><u>SHAREHOLDERS' EQUITY</u></b>		
Capital	141,360	101,294
Capital - Preferred shares	1,095	862
Premium on preferred shares	163,905	129,138
Reserves	84,190	112,157
Special reserve for assets acquired in satisfaction of debts	32,153	24,833
Cumulative translation adjustment	21	(0)
Retained earnings	98,871	82,353
Property revaluation reserve	84	112
Cumulative change in fair value of OCI securities	4,643	6,431
Net Profit for the Period	27,743	44,179
<b>Total attributable to the equity holders of the parent</b>	<b>554,064</b>	<b>501,359</b>
<b>Non controlling interest</b>	<b>3,999</b>	<b>3,891</b>
<b>Total Equity</b>	<b>483,063</b>	<b>505,250</b>
<b>Total liabilities and Shareholders' Equity</b>	<b>5,396,755</b>	<b>5,741,089</b>