

Financial Highlights September 2018 (Unaudited)

Following are the main highlights of BLC Bank for the period ending September 30, 2018

I. Income Statement:

- ∞ The Bank's Consolidated Net Income reached \$36.2M by end of September 2018 (+4% compared to September 2017) and will drop down to \$ 28.9M after the application of the new tax law.
- ∞ Recurrent income, which is constituted mainly from net interest and net commissions, reached **\$38.9M** till September 2018, up by **+2%** from the **\$38.2M** registered till September 2017.
- ∞ Total expenses, reached **\$51.4M** till September 2018, increasing by only **0.5%** (\$0.3M) compared to September 2017.

II. Statement of Financial Position:

- Total Assets increased by \$ 17 M (**+0.3%**) during Q3 2018 compared to December 2017.
- Net loans remained stable during Q3 2018 compared to December 2017, and increased by **2.2% YOY**.
- Total deposits increased by **0.4%** in 2018 to settle at **\$3.93 B** compared to **\$3.92 B** as at December 31, 2017.
- The bank's regulatory liquidity ratio in foreign currency stands at **17.1%** as at September 30 2018, compared to a **10%** requested by BDL.
- Capital Adequacy ratio stands at **17.05%**, compared to a **15%** required by the Central Bank for December 2018.

Consolidated Statement Of Financial Position

Amounts in (000's USD)

	Unaudited	Audited
	30.09.2018	31.12.2017
<u>ASSETS</u>		
Cash and Central bank	1,118,413	911,115
Deposits with banks and financial institutions	164,362	104,060
Loans to Banks	1,815	2,340
Assets Held for Sale	915,639	915,601
Investment securities at FVPL	70,210	86,613
Loans and advances to customers	1,597,200	1,600,560
Investment Securities at amortized cost	1,769,434	2,067,869
Investment Securities at FVOCI	89,662	12,252
Customers ' liability under acceptances	24,860	36,922
Assets acquired in satisfaction of loans	54,723	54,724
Properties and equipment	56,698	53,693
Intangible assets	2,310	1,007
Deferred charges	-	5,189
Other assets	18,783	15,250
Total Assets	5,884,110	5,867,194
<u>LIABILITIES</u>		
	30.09.2018	31.12.2017
Deposits and borrowings from banks	84,583	44,772
Liabilities Held for sale	831,780	828,552
Customers' accounts at amortized cost	3,934,745	3,919,207
Liabilities under acceptances	25,102	36,922
Other borrowings	362,175	339,203
Other liabilities	64,075	130,025
Provisions	12,415	7,036
Total Liabilities	5,314,876	5,305,717
<u>SHAREHOLDERS' EQUITY</u>		
Capital	141,725	141,725
Preferred shares	101,351	110,000
Reserves	113,466	107,520
Special reserve for assets acquired in satisfaction of debts	44,547	38,818
Retained earnings	133,842	106,605
Cumulative change in fair value of OCI securities	1,154	5,444
Property revaluation surplus	-	254
Cumulative currency translation adjustment	-	141
Net Profit for the Period	28,911	46,440
Total attributable to the equity holders of the parent	564,996	556,946
Non controlling interest	4,238	4,531
Total Equity	569,234	561,477
Total liabilities and Shareholders' Equity	5,884,110	5,867,194

N.B: During 2017, a term sheet was signed whereby the bank's investment in USB bank will be sold .
based on the above, IFRS 5" NON CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS" has been
applied for the cyprriot entity in 2017.

Consolidated Income Statement

	Unaudited 30.09.2018	Unaudited 30.09.2017
<i>Amounts in (000's USD)</i>		
Interest Income	235,946	216,190
Interest Expense	(161,006)	(143,211)
Net Interest Income	74,940	72,979
Fee and Commission Income	15,033	15,149
Fee and Commission Expense	(1,599)	(1,740)
Net fee and commission income	13,434	13,410
Net Interest and Gain / (Loss) on Fair Value securities	3,680	3,914
Other Operating Income	1,361	1,825
Net Financial Revenues	93,416	92,127
Allowance for Impairment of Loans and Advances (net)	(22,053)	(1,997)
Loans direct write off (net)	(13)	45
Write-back of Discount on Loan Portfolio Purchased	21	35
Net Financial Revenues after impairment loss / write back	71,370	90,210
Gain on disposal of property and equipment and properties acquired in satisfaction of debts	(33)	3,454
Allowance for contingencies (net)	21,757	(1,329)
Staff costs	(33,229)	(32,451)
Administrative expenses	(15,041)	(14,843)
Depreciation and Amortization	(3,098)	(3,815)
Profit before income tax	41,728	41,227
Income Tax expense	(12,784)	(6,530)
Net profit from continuing operations	28,944	34,698
(loss)/ profit from discontinued operations	-	(1,036)
Adjustments on disposal of group carrying amount	-	1,299
Profit for the year from discontinued operations	-	263
Net profit for the year	28,944	34,960
Attributable to:		
Equity holders of the bank	28,912	34,925
Non controlling interest	32	34
	28,944	34,960

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