

Financial Highlights December 2018 (Unaudited)

Following are the main highlights of BLC Bank for the period ending December 31, 2018

I. Income Statement:

- ∞ The Bank's Consolidated Net Income reached \$41.0 M in 2018, compared to \$46.5 M in 2017. The decrease is due to the application of the new tax law. Excluding the impact of the new taxes applied in 2018, net income growth would be **+11%**.
- ∞ Net commissions reached **\$18.2 M** in 2018, increasing by **2%** compared to 2017.
- ∞ Total expenses, reached **\$68.7 M** in 2018, increasing by only **0.8%** (\$0.6M) compared to 2017.

//. Statement of Financial Position:

- Total Assets increased by \$ 28 M (**+0.5%**) during 2018 compared to 2017.
- Net loans increased in 2018 by \$ 7 M (**+0.4%**) compared to December 2017.
- Total deposits remained stable compared to 2017, to settle at **\$3.9 B**.
- The bank's regulatory liquidity ratio in foreign currency stands at **17.8%** as at December 31, 2018, compared to a **10%** requested by BDL.
- Capital Adequacy ratio stands at **18.4%**, compared to a **15%** required by the Central Bank for December 2018.

Consolidated Income Statement

	Unaudited 31.12.2018	Audited 31.12.2017
<i>Amounts in (000's USD)</i>		
Interest Income	316,913	295,545
Less: tax on interest	(9,444)	(187)
Interest Income: net of tax	307,469	295,357
Interest Expense	(218,949)	(195,112)
Net Interest Income	88,520	100,245
Fee and Commission Income	20,341	20,094
Fee and Commission Expense	(2,138)	(2,326)
Net fee and commission income	18,204	17,767
Net Interest and Gain / (Loss) on Fair Value securities	4,144	3,355
Other Operating Income	2,732	3,056
Net Financial Revenues	113,599	124,424
Allowance for Impairment of Loans and Advances (net)	(26,003)	(2,108)
Loans direct write off (net)	(13)	46
Write-back of Discount on Loan Portfolio Purchased	24	61
Net Financial Revenues after impairment loss / write back	87,607	122,423
Write Backs - Collective ECL	30,698	-
Gain on disposal of property and equipment and properties acquired in satisfaction of debts	396	4,031
Allowance for contingencies (net)	(4,160)	(2,428)
Staff costs	(43,247)	(42,268)
Administrative expenses	(21,219)	(20,792)
Depreciation and Amortization	(4,245)	(5,053)
Profit before income tax	45,831	55,913
Income Tax expense	(4,827)	(9,686)
Net profit from continuing operations	41,003	46,227
(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	41,003	46,490
Attributable to:		
Equity holders of the bank	40,967	46,440
Non controlling interest	36	51
	41,003	46,490

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 cypriot entity in 2017.

Consolidated Statement Of Financial Position

Amounts in (000's USD)

	Unaudited	Audited
	31.12.2018	31.12.2017
<u>ASSETS</u>		
Cash and Central bank	1,142,183	911,115
Deposits with banks and financial institutions	192,038	104,060
Loans to Banks	1,829	2,340
Assets Held for Sale	915,639	915,601
Investment securities at FVPL	36,794	86,613
Loans and advances to customers	1,607,474	1,600,560
Investment Securities at amortized cost	1,748,931	2,067,869
Investment Securities at FVOCI	93,839	12,252
Customers ' liability under acceptances	21,187	36,922
Assets acquired in satisfaction of loans	55,629	54,724
Properties and equipment	59,632	53,693
Intangible assets	2,881	1,007
Deferred charges	-	5,189
Other assets	17,313	15,250
Total Assets	5,895,370	5,867,194
<u>LIABILITIES</u>		
	31.12.2018	31.12.2017
Deposits and borrowings from banks	99,235	44,772
Liabilities Held for sale	831,780	828,552
Customers' accounts at amortized cost	3,908,047	3,919,207
Liabilities under acceptances	21,444	36,922
Other borrowings	384,066	339,203
Other liabilities	52,346	130,025
Provisions	13,218	7,036
Total Liabilities	5,310,136	5,305,717
<u>SHAREHOLDERS' EQUITY</u>		
Capital	141,725	141,725
Preferred shares	101,351	110,000
Reserves	113,582	107,520
Special reserve for assets acquired in satisfaction of debts	44,442	38,818
Retained earnings	134,969	106,605
Cumulative change in fair value of OCI securities	3,958	5,444
Property revaluation surplus	-	254
Cumulative currency translation adjustment	-	141
Net Profit for the Period	40,967	46,440
Total attributable to the equity holders of the parent	580,993	556,946
Non controlling interest	4,241	4,531
Total Equity	585,234	561,477
Total liabilities and Shareholders' Equity	5,895,370	5,867,194

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