



## **Byblos Bank Releases Financial Results for First Nine Months of 2017**

*Consolidated Activity Highlights as at end-September 2017:*

- *USD 22.4 billion in Assets*
- *USD 18.0 billion in Customer Deposits*
- *USD 5.3 billion in Net Customer Loans*
- *USD 2.1 billion in Total Equity*
- *USD 114.5 million in Net Profit*

**Byblos Bank Headquarters, Wednesday 25 October 2017:** Byblos Bank posted satisfactory financial results in the first nine months of 2017, despite the prevailing uncertainty locally and regionally. Customer Deposits and Customer Loans grew by 5.3% and 2.5% respectively, to reach USD 18.0 billion and USD 5.3 billion.

Byblos Bank's prudent lending policy, lower risk appetite in some overseas markets, high liquidity levels, and the deconsolidation of investments in some markets, resulted in a slight increase in Net Profit of 0.8%. This conservative strategy aims at preserving the Bank's financial solidity and ensure long-term protection and stability for shareholders.

The Bank's immediate foreign-currency liquidity, made in the form of short-term placements with investment- and above-investment-grade institutions, reached 15% as at end of September 2017, highly exceeding local and international benchmarks. Its Basel III Capital Adequacy Ratio, maintained at above 17% as at end of June 2017, surpassed recent BDL regulatory requirements that raised the minimum to 15% by end-2018.

With its high liquidity and capital levels, the continuous improvements in staff productivity, the strengthening in its business processes, and the increased use of technology, Byblos Bank remains well-positioned to capitalize on potential expansion opportunities.

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# BYBLOS BANK SAL

**CAPITAL LBP 689,113,198,640 FULLY PAID, TOTAL EQUITY LBP 3,167,650,000,000**

**C.R.B.14150, LIST OF BANKS NO. 39, HEAD OFFICE - BEIRUT**

## CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2017

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS As at 30 September 2017 (LBP millions)	Unaudited		Audited	
	30-Sep-17	31-Dec-16	30-Sep-17	31-Dec-16
Cash and balances with central banks	11,885,252	8,783,092		
Due from banks and financial institutions	3,754,555	2,657,429		
Loans to banks and financial institutions and reverse repurchase agreements	925,265	964,066		
Financial assets given as collateral	328,861	224,044		
Derivative financial instruments	4,402	4,420		
Shares and participations held at fair value through profit or loss	29,440	40,065		
Debt instruments and other financial assets held at fair value through profit or loss	347,231	749,107		
Net loans and advances to customers at amortized cost*	7,979,398	7,787,274		
Net loans and advances to related parties at amortized cost	21,108	20,714		
Debtors by acceptances	321,507	223,883		
Shares and participations held at fair value through other comprehensive income	109,751	101,305		
Debt instruments held at amortized cost	7,603,040	9,416,979		
Property and equipment	265,923	247,095		
Intangible assets	296	380		
Assets taken in settlement of debt	44,167	43,299		
Other assets	141,321	110,438		
<b>TOTAL ASSETS*</b>	<b>33,761,517</b>	<b>31,373,590</b>		

(\*) After Deducting:

Reserved Interest on sub-standard, doubtful, and bad loans	70,329	53,964
Specific Provisions for doubtful and bad loans	167,243	158,278
Provisions Based on Collective Assessment	94,055	78,643

### LIABILITIES AND EQUITY

As at 30 September 2017 (LBP millions)	Unaudited		Audited	
	30-Sep-17	31-Dec-16	30-Sep-17	31-Dec-16
<b>LIABILITIES</b>				
Due to central banks	990,744	332,971		
Due to banks and financial institutions	1,037,259	774,095		
Derivative financial instruments	4,069	2,106		
Customers' deposits at amortized cost	26,757,294	25,415,634		
Deposits from related parties at amortized cost	381,278	366,028		
Engagements by acceptances	321,507	223,883		
Debt issued and other borrowed funds	461,293	444,072		
Other liabilities	326,277	374,911		
Provisions for risks and charges	314,146	300,292		
Subordinated notes	422,152	420,165		
<b>TOTAL LIABILITIES</b>	<b>31,016,019</b>	<b>28,654,157</b>		

### EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

As at 30 September 2017 (LBP millions)	Unaudited		Audited	
	30-Sep-17	31-Dec-16	30-Sep-17	31-Dec-16
Share capital – Common shares	684,273	684,273		
Share capital – Preferred shares	4,840	4,840		
Issue premium – Common shares	229,014	229,014		
Issue premium – Preferred shares	591,083	591,083		
Reserves not available for distribution (legal and statutory)	924,746	843,320		
Reserves available for distribution	110,616	103,246		
Treasury shares	(5,973)	(5,161)		
Retained earnings	50,184	67,517		
Revaluation reserve of real estate	5,689	5,689		
Reserve on revaluation of financial assets at fair value through OCI	(2,958)	(9,081)		
Net results of the financial year - profit	167,309	232,670		
Foreign currency translation reserve	(52,192)	(65,340)		
	<b>2,706,631</b>	<b>2,682,070</b>		
NON-CONTROLLING INTEREST	38,867	37,363		
<b>TOTAL EQUITY</b>	<b>2,745,498</b>	<b>2,719,433</b>		
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>33,761,517</b>	<b>31,373,590</b>		

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2017 (LBP millions)	Unaudited 30-Sep-17	Audited 31-Dec-16
<b>OFF-BALANCE SHEET ITEMS</b>		
<b>Financing Commitments</b>		
Financing commitments given to banks & financial institutions	323,559	401,809
Financing commitments received from banks & financial institutions	88,488	106,680
Engagement to customers	3,247,151	2,774,764
<b>Bank guarantees</b>		
Guarantees given to banks & financial institutions	162,381	179,274
Guarantees given to customers	885,679	913,621
Guarantees received from customers	26,109,163	25,628,287
<b>Foreign Currencies Forwards</b>		
Foreign currencies to receive	545,291	310,601
Foreign currencies to deliver	544,746	308,153
<b>Claims from legal cases</b>	<b>44,487</b>	<b>44,452</b>
<b>Fiduciary assets</b>	<b>161,466</b>	<b>162,722</b>
<b>Asset under management</b>	<b>4,867,549</b>	<b>3,084,620</b>
<b>Bad debts fully provided for</b>	<b>175,504</b>	<b>167,558</b>

### CONSOLIDATED INCOME STATEMENT

Period ended 30 September 2017 (LBP millions)	Unaudited 30-Sep-17	Unaudited 30-Sep-16
Interest and similar income	1,251,135	1,154,340
Interest and similar expense	(941,160)	(877,076)
<b>NET INTEREST INCOME</b>	<b>309,975</b>	<b>277,264</b>
Fees and Commissions income	106,300	100,785
Fees and Commissions expense	(9,385)	(9,205)
<b>NET FEES AND COMMISSIONS INCOME</b>	<b>96,915</b>	<b>91,580</b>
Net gain from financial instruments at fair value through profit or loss of which: interest revenues/charges	39,918 27,103	82,624 39,768
Net gain or loss on financial assets at amortized cost	31,907	52,499
Revenue from financial assets at fair value through other comprehensive income	4,443	3,873
Other operating income	19,676	19,793
<b>TOTAL OPERATING INCOME</b>	<b>502,834</b>	<b>527,633</b>
Credit loss expense	(21,552)	(27,882)
<b>NET OPERATING INCOME</b>	<b>481,282</b>	<b>499,751</b>
Personnel expenses	(153,930)	(153,479)
Depreciation and amortization	(14,997)	(16,428)
Amortisation of intangibles assets	(85)	(345)
Other operating expenses	(93,802)	(94,925)
Provision for risks and charges	(8,317)	(23,273)
<b>TOTAL OPERATING EXPENSES</b>	<b>(271,131)</b>	<b>(288,450)</b>
<b>PROFIT BEFORE TAX</b>	<b>210,151</b>	<b>211,301</b>
Income tax expense	(37,500)	(39,959)
<b>PROFIT FOR THE PERIOD</b>	<b>172,651</b>	<b>171,342</b>
<b>Attributable to:</b>		
Equity holders of the parent	167,309	156,154
Minority interests	5,342	15,188
	<b>172,651</b>	<b>171,342</b>
<b>Earnings per share</b>		
Equity holders of the parent for the period:	LL	LL
Basic earnings per share	232.44	212.84
Diluted earnings per share	222.08	205.53

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Period ended 30 September 2017 (LBP millions)	Unaudited 30-Sep-17	Unaudited 30-Sep-16
<b>PROFIT FOR THE PERIOD</b>	<b>172,651</b>	<b>171,342</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		
Items to be reclassified to the income statement in subsequent periods:		
Exchange difference on translation of foreign operations	12,891	(27,052)
Net other comprehensive gain (loss) to be reclassified to the income statement in subsequent periods	12,891	(27,052)
Items not to be reclassified to the income statement in subsequent periods:		
Net unrealized gain (loss) from financial assets at fair value through other comprehensive income	7,192	(1,297)
Income tax effect	(1,069)	(15)
	6,123	(1,312)
<b>Net other comprehensive income (loss) not to be reclassified to the income statement in subsequent periods</b>	<b>6,123</b>	<b>(1,312)</b>
<b>OTHER COMPREHENSIVE GAIN (LOSS) FOR THE PERIOD NET OF TAX</b>	<b>19,014</b>	<b>(28,364)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<b>191,665</b>	<b>142,978</b>
<b>Attributable to:</b>		
Equity holders of the parent	186,581	136,967
Non-controlling interests	5,084	6,011
	<b>191,665</b>	<b>142,978</b>