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# Bank Audi

**AMONG THE TOP REGIONAL  
BANKING GROUPS**

11 BANKS AND 3 FINANCIAL  
INSTITUTIONS IN 12 COUNTRIES

## consolidated activity highlights

IN LEBANESE POUNDS

AT END-MARCH 2016

### **A Leading Positioning in Main Countries of Presence**

- LBP 61,841 billion of total assets,  
of which 48% from entities outside Lebanon and 33% in investment grade countries
- LBP 51,588 billion of total customers' deposits
- LBP 27,262 billion of total loans to customers
- LBP 5,062 billion of total shareholders' equity
- LBP 166 billion of net profits in the first quarter of 2016,  
growing by 10.1% relative to the first quarter of 2015, of which 54% from entities outside Lebanon

### **Main Financial Indicators**

- 44.4% of primary liquidity to customers' deposits
- 13.7% of capital adequacy ratio as per Basel III
- 3.1% only of gross doubtful loans to gross loans ratio,  
reaching 0.9% when deducting specific loan loss reserves, excluding collective provisions
- 14.3% of return on average common equity

A UNIVERSAL AND INNOVATIVE BANKING OFFERING  
AT THE SERVICE OF INDIVIDUAL AND CORPORATE CUSTOMERS

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	31/03/16 LBP Million	31/12/15 LBP Million
<b>ASSETS</b>		
Cash and balances with central banks	13,946,120	13,754,922
Due from banks and financial institutions	1,925,966	2,704,157
Loans to banks and financial institutions and reverse repurchase agreements	1,547,523	2,585,553
Due from head office, sister, related banks and financial institutions	-	-
Financial assets given as collateral	-	-
Derivative financial instruments	313,357	265,863
Shares and participations at fair value through profit and loss	54,966	59,292
Debt instruments and other similar financial assets at fair value through profit and loss	1,073,075	324,430
Of which: net advances and loans at fair value through profit and loss	29,623	22,185
Net loans and advances to customers at amortised cost <sup>(1)</sup>	27,054,807	26,812,807
Net loans and advances to related parties at amortised cost <sup>(2)</sup>	207,412	214,549
Debtors by acceptances	251,637	240,605
Debt instruments classified at amortised cost <sup>(3)</sup>	13,471,660	14,784,574
Shares and participations at fair value through other comprehensive income	143,519	144,375
Investments in associates	13,404	13,989
Assets taken in settlement of debts	80,458	72,779
Property and equipment	959,748	963,438
Intangible fixed assets	98,137	101,364
Non-current assets held for sale	-	-
Other assets	501,208	470,506
Goodwill	197,581	209,434
<b>TOTAL ASSETS</b>	<b>61,840,578</b>	<b>63,722,637</b>

<sup>(1)</sup> After deduction of provisions amounting to LBP 731,406 million from loans and advances to customers as per IAS 39, of which LBP 241,092 million representing provisions on collective assessment.

<sup>(2)</sup> Loans granted to related parties against cash collateral amounted to LBP 155,370 million.

<sup>(3)</sup> Includes an amount of LBP 2,502 billion with risk ceded to customers.

	31/03/16 LBP Million	31/12/15 LBP Million
<b>OFF-BALANCE SHEET</b>		
<b>Financing commitments</b>		
- Financing commitments given to banks and financial institutions	512,104	548,320
- Financing commitments given to customers	5,290,546	5,222,427
<b>Bank guarantees</b>		
- Guarantees given to banks and financial institutions	212,481	231,963
Of which: credit derivatives	-	-
- Guarantees received from banks and financial institutions	1,548,192	2,603,635
Of which: credit derivatives	-	-
- Guarantees given to customers	2,443,360	2,543,077
- Guarantees received from customers	32,104,281	36,217,474
<b>Financial notes commitments</b>		
- Financial notes commitments to be received	-	-
Of which: financial instruments sold with a buy back option	-	-
- Financial notes commitments to be delivered	-	-
Of which: financial instruments purchased with a buy back option	-	-
<b>Foreign currencies forwards</b>		
- Foreign currencies to receive	8,100,380	7,199,804
- Foreign currencies to deliver	8,159,463	7,215,797
<b>Commitments on term financial instruments</b>	<b>12,458,055</b>	<b>9,599,733</b>
<b>Other commitments</b>	-	-
<b>Claims from legal cases</b>	-	-
<b>Fiduciary accounts</b>	<b>1,883,779</b>	<b>2,255,152</b>
- Under specific instructions	1,731,010	1,963,991
- Under discretionary investments	152,769	291,161
<b>Assets under management</b>	<b>12,095,316</b>	<b>12,185,015</b>
<b>Mutual funds</b>	<b>327,765</b>	<b>407,021</b>
<b>Structured financial products</b>	-	-
<b>Engagement unlikely to be executed</b>	-	-
<b>Bad debts written off during the year</b>	<b>5,089</b>	<b>34,327</b>

	31/03/16 LBP Million	31/12/15 LBP Million
<b>LIABILITIES</b>		
Due to central banks	645,469	569,856
Due to banks and financial institutions and repurchase agreement	2,331,204	2,340,565
Due to head office, sister, related banks and financial institutions	-	-
Financial assets taken as a guarantee	-	-
Derivative financial instruments	190,175	131,199
Financial liabilities at fair value through profit and loss	-	-
Of which: deposits at fair value through profit and loss	-	-
Customers' deposits at amortised cost	50,823,536	52,990,507
Deposits from related parties at amortized cost	764,452	690,111
Debt issued and other borrowed funds	50,745	80,353
Engagements by acceptances	251,637	240,605
Other liabilities	601,012	578,000
Provisions for risks and charges	143,036	172,060
Subordinated loans and similar debts	976,843	973,629
Non-current liabilities held for sale	-	-
<b>TOTAL LIABILITIES</b>	<b>56,778,109</b>	<b>58,766,885</b>
<b>Shareholders' Equity - Group Share</b>		
Share capital - Common shares	661,985	661,985
Share capital - Preferred shares	6,210	6,210
Issue premium - Common shares	883,582	883,582
Issue premium - Preferred shares	559,102	559,102
Subsidiary shares warrants	17,145	17,145
Share capital and cash contribution to capital	72,586	72,586
Non-distributable reserves	1,237,635	1,179,216
Distributable reserves	645,882	642,865
Treasury shares	(276)	-
Retained earnings	927,499	675,524
Proposed dividends	275,533	-
Revaluation reserve of real estate	360,488	360,488
Reserve on revaluation of financial assets at fair value through other comprehensive income	35,444	36,211
Remeasurement actuarial (gain)/Loss on defined benefit plan	(5,592)	(5,592)
Share of associates' other comprehensive income under equity method	4,546	4,546
Foreign currency translation reserve	(788,012)	(732,696)
Net (loss) gain on hedge of net investments in foreign entities	(41,943)	(53,152)
Result of the period	152,683	587,948
<b>Shareholders' equity - Group share</b>	<b>5,004,497</b>	<b>4,895,968</b>
<b>Non-controlling interest</b>	<b>57,972</b>	<b>59,784</b>
<b>Total shareholders' equity</b>	<b>5,062,469</b>	<b>4,955,752</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>61,840,578</b>	<b>63,722,637</b>



# CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	31/03/16 LBP Million	31/03/15 LBP Million
<b>OFF-BALANCE SHEET</b>		
Interest and similar income	958,654	904,625
Interest and similar expense	(588,615)	(569,186)
<b>Net interest margin</b>	<b>370,039</b>	<b>335,439</b>
Fee and commission income	125,759	111,688
Fee and commission expense	(26,861)	(22,401)
<b>Net Fee and commission income</b>	<b>98,898</b>	<b>89,287</b>
Net gain on financial assets or liabilities at fair value through profit and loss	42,434	16,619
Of which: interest income	5,895	7,165
Net gain on financial investments	19,955	68,019
Other operating income	14,058	2,112
<b>Total operating income</b>	<b>545,384</b>	<b>511,476</b>
Net provisions for credit losses	(51,286)	(49,756)
<b>Net operating income</b>	<b>494,098</b>	<b>461,720</b>
Personnel expenses	(158,777)	(152,929)
Other operating expenses	(105,060)	(90,962)
Depreciation of property and equipment	(19,276)	(17,529)
Amortisation of intangible assets	(8,577)	(6,642)
Impairment of goodwill	-	-
<b>Total operating expenses</b>	<b>(291,690)</b>	<b>(268,062)</b>
<b>Operating profit</b>	<b>202,408</b>	<b>193,658</b>
Share of profit of associates under equity method	291	29
Net gain (loss) on disposal of other asset	(40)	84
<b>Profit before tax</b>	<b>202,659</b>	<b>193,771</b>
Income tax	(36,570)	(42,984)
<b>Profit after tax</b>	<b>166,089</b>	<b>150,787</b>
Result of discontinued operations, net of tax	-	-
<b>Profit for the current period</b>	<b>166,089</b>	<b>150,787</b>
<b>Minority share profit for the current period</b>	<b>13,406</b>	<b>6,638</b>
<b>Group share profit for the current period</b>	<b>152,683</b>	<b>144,149</b>
Basic earnings per share LBP	360	340
Basic earnings per share from continuing operations LBP	360	340

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