

Alpha Group

Balance sheet data (In LL Million)	Dec-16	Dec-17	Dec-18	YTD Growth (in %)		
				Peer		
				Average	High	Low
Assets						
1. Cash and balances with Central Banks	90,417,125	116,152,309	156,048,935	34.35	141.71	6.25
2. Deposits with banks and financial institutions	18,802,672	20,806,734	22,136,520	6.39	164.21	-50.89
3. Due from HO/Parent, sister, related banks and fin. inst.	1,107,635	662,940	274,442	-58.60	-0.92	-61.77
4. Loans to banks & fin. inst. & reverse repurchase agreements	4,621,762	3,241,374	1,208,962	-62.70	20.45	-99.35
5. Financial assets given as collateral	1,466,346	2,827,391	3,624,106	28.18	145.98	8.38
6. Derivative financial instruments	461,254	439,437	531,254	20.89	177.71	-68.09
7. Shares and participations at FVTPL	709,510	707,381	648,126	-8.38	75.37	-75.25
8. Debt instruments and other financial assets at FVTPL	6,050,969	5,364,668	2,251,945	-58.02	16.38	-100.00
<i>Of which net advances and loans at FVTPL (1)</i>	21,898	47,658	37,233	-21.87	-21.87	-21.87
9. Net loans and advances to customers at amortized cost (1)	98,156,187	100,133,795	95,540,440	-4.59	17.86	-18.68
10. Net loans and advances to related parties at amortized cost (1)	1,208,395	819,107	736,486	-10.09	47.83	-65.09
11. Debtors by acceptances	2,058,092	3,105,680	4,790,534	54.25	128.80	-88.16
12. Debt instruments classified at amortized cost	97,739,980	88,315,314	90,935,592	2.97	55.73	-35.75
13. Shares and participations at FVTOCI	1,250,490	1,386,544	1,439,147	3.79	938.27	-57.02
14. Debt instruments and other financial assets at fair value through OCI	-	-	2,514,001	-	-	-
15. Investments in associates	325,127	481,772	469,260	-2.60	12.22	-45.72
16. Assets taken in settlement of debt	1,238,919	1,376,869	1,837,904	33.48	95.00	-8.94
17. Property and equipment	4,104,802	4,365,306	4,575,375	4.81	207.24	-2.13
18. Intangible fixed assets	197,142	223,532	241,240	7.92	129.69	-57.73
19. Non current assets held for sale	370,103	1,817,723	1,904,371	4.77	98.77	0.00
20. Other assets	1,606,702	1,741,108	2,214,996	27.22	171.25	-9.67
21. Goodwill	397,322	316,575	350,782	10.81	0.00	-0.70
Total assets (3)	332,290,534	354,285,560	394,274,418	11.29	25.99	2.91
Breakdown of balance sheet (In LL Million)						
Total Assets	332,290,534	354,285,560	394,274,418	11.29	25.99	2.91
Of which domestic	276,998,671	298,993,100	339,044,320	13.40	25.99	4.15
<i>in LL</i>	109,051,472	116,142,388	146,498,880	26.14	70.78	1.95
<i>in FC</i>	167,947,199	182,850,713	192,545,440	5.30	16.96	-0.78
Of which foreign	55,291,863	55,292,460	55,230,099	-0.11	75.79	-21.84
Deposits from customers	268,591,074	278,077,764	284,004,894	2.13	13.45	-4.47
Of which domestic	227,987,904	239,200,567	245,850,930	2.78	11.01	-1.75
<i>in LL</i>	81,093,906	78,157,973	75,771,346	-3.05	16.09	-15.31
<i>in FC</i>	146,893,998	161,042,593	170,079,584	5.61	20.78	-1.08
Of which foreign	40,603,169	38,877,197	38,153,964	-1.86	67.70	-25.76
Loans to customers	99,386,480	101,000,561	96,314,159	-4.64	17.74	-18.60
Of which domestic	70,609,347	74,864,749	72,486,222	-3.18	13.84	-12.01
<i>in LL</i>	19,814,683	22,474,919	21,199,002	-5.68	12.20	-14.85
<i>in FC</i>	50,794,664	52,389,830	51,287,220	-2.10	20.72	-15.67
Of which foreign	28,777,132	26,135,811	23,827,938	-8.83	66.55	-40.22
General information	Dec-16	Dec-17	Dec-18	Peer Change	High	Low
Number of branches	1,230	1,216	1,223	7	201	16
<i>Domestic</i>	874	885	898	13	126	16
<i>Abroad</i>	356	331	325	-6	115	1
Staff employed (Banks + non Banks)	31,216	31,215	31,016	-199	6,306	324
<i>Domestic</i>	22,253	23,142	23,010	-132	3,257	324
<i>Abroad</i>	8,963	8,073	8,006	-67	3,049	3
Staff employed in banking entities	29,301	29,187	29,056	-131	5,857	324

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Balance sheet data (In LL Million)	Dec-16	Dec-17	Dec-18	YTD Growth (in %)		
				Peer		
				Average	High	Low
Liabilities and shareholders' equity						
1. Due to Central Banks	6,357,982	16,985,283	48,058,822	182.94	582.73	49.21
2. Due to banks & fin. inst. and repurchase agreements	12,039,109	11,095,637	12,425,351	11.98	241.39	-68.33
3. Due to HO/Parent, sister, related banks and fin. inst.	116,019	137,242	89,775	-34.59	218.51	-62.53
4. Financial assets taken as a guarantee	338,330	320,955	333,760	3.99	3.99	3.99
5. Derivative financial instruments	327,066	254,242	514,592	102.40	120.13	-48.31
6. Financial liabilities at FVTPL	161,629	142,515	175,495	23.14	24.64	-5.83
<i>Of which deposits at FVTPL (2)</i>	<i>161,629</i>	<i>142,515</i>	<i>175,495</i>	<i>23.14</i>	<i>24.64</i>	<i>-5.83</i>
7. Deposits from customers at amortized cost (2)	262,452,158	272,479,242	279,360,647	2.53	13.70	-3.83
8. Deposits from related parties at amortized cost (2)	5,977,286	5,456,007	4,468,752	-18.09	110.78	-63.69
9. Debt issued and other borrowed funds	1,418,649	739,972	1,408,410	90.33	197.17	-51.22
10. Engagements by acceptances	2,058,092	3,105,680	4,800,995	54.59	129.05	-88.16
11. Other liabilities	6,244,334	5,184,666	4,560,526	-12.04	31.85	-42.86
12. Provisions for risks and charges	1,843,753	2,006,309	1,572,499	-21.62	157.59	-77.75
13. Subordinated loans and similar debts	1,780,198	2,038,900	2,075,650	1.80	33.37	-33.33
14. Non current liabilities held for sale	31,478	1,267,903	1,253,909	-1.10	0.39	0.39
Total liabilities	301,146,083	321,214,555	361,099,183	12.42	29.21	3.33
1. Capital - common shares	4,123,685	4,252,164	4,290,371	0.90	8.89	0.42
2. Capital - preferred shares	283,414	279,037	276,584	-0.88	-19.66	-19.66
3. Issue premium - common shares	2,182,013	2,182,013	2,264,000	3.76	18.33	18.33
4. Issue premium - preferred shares	5,335,066	5,311,323	5,089,729	-4.17	0.37	-20.00
5. Cash contribution to capital	491,553	491,552	491,552	-	-	-
6. Legal and statutory reserves	6,763,101	7,455,302	8,199,915	9.99	61.64	-43.46
7. Reserves available for distribution	1,338,350	1,203,303	1,284,893	6.78	52.39	0.02
8. Treasury shares	-173,006	-214,838	-100,029	53.44	90.40	-60.13
9. Retained earnings	5,334,794	6,108,369	6,196,619	1.44	83.73	-92.84
10. Revaluation reserve of real estate	534,653	532,371	565,849	6.29	12.75	0.00
11. Reserve on revaluation of financial assets at FVTOCI	253,936	179,549	55,545	-69.06	8.82	-240.72
12. Reserve on changes in fair value of cash flow hedges	-50,001	-39,268	-71,514	-82.12	-32.74	-32.74
13. Foreign currency translation reserve	-2,060,651	-2,069,748	-2,409,910	-16.43	28.25	-219.82
14. Other reserves	905,511	1,377,308	1,680,615	22.02	75.06	-11.37
15. Result of the financial period	3,215,810	3,439,524	3,348,338	-2.65	62.74	-84.77
Total shareholders' equity - Group share	28,478,229	30,487,963	31,162,559	2.21	12.21	-13.84
Shareholders' equity - Non controlling interest	2,666,222	2,583,043	2,012,677	-22.08	20.76	-62.00
Total shareholders' equity	31,144,451	33,071,005	33,175,235	0.32	12.21	-16.96
Total liabilities and shareholders' equity	332,290,534	354,285,560	394,274,418	11.29	25.99	2.91
Selected off-balance sheet items						
LCs	3,579,778	3,715,705	3,395,783	-8.61	342.34	-46.75
<i>Total LC openings</i>	<i>24,733,869</i>	<i>28,881,591</i>	<i>30,655,831</i>	<i>6.14</i>	<i>336.14</i>	<i>-77.53</i>
LGs	12,369,959	12,714,689	11,746,661	-7.61	54.95	-29.19
Fiduciary accounts	4,891,856	5,170,555	11,567,996	123.73	870.81	-28.50
Assets under management	33,678,050	35,842,647	39,037,191	8.91	639.70	-22.07
(1) Of which loans to customers in FC	79,571,796	78,525,642	75,115,158	-4.34	29.66	-22.37
(2) Of which deposits from customers in FC	187,497,168	199,919,790	208,233,549	4.16	20.78	-7.55
(3) Of which total assets in FC	223,239,062	238,143,172	247,775,538	4.04	16.96	-6.91

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Liquidity (In %)	Dec-16	Dec-17	Dec-18	Peer	High	Low
Primary liquidity / assets	35.03	40.56	46.49	46.49	64.16	33.02
<i>Of which Central Bank / assets</i>	27.21	32.78	39.58	39.58	59.82	26.58
<i>Of which Banks / assets</i>	7.82	7.77	6.91	6.91	14.56	1.92
Net primary liquidity / deposits	38.17	46.83	58.43	58.43	75.84	34.55
<i>Of which net primary liquidity in LL / deposits in LL</i>	46.17	62.38	97.88	97.88	122.08	49.29
<i>Of which net primary liquidity in FC / deposits in FC</i>	34.71	40.75	44.07	44.07	66.28	28.13
Loans / deposits	37.00	36.32	33.91	33.91	58.47	15.05
<i>Of which loans / deposits in LL</i>	24.43	28.76	27.98	27.98	45.78	10.14
<i>Of which loans / deposits in FC</i>	42.44	39.28	36.07	36.07	65.35	18.46
Portfolio securities breakdown (In LL Million)				Peer YTD %	High	Low
Lebanese treasury bills in LL	26,768,372	23,877,590	22,700,842	-4.93	59.88	-36.44
Lebanese sovereign eurobonds in FC	22,103,694	20,080,968	23,207,612	15.57	223.70	-37.62
BDL Certificates of Deposits in LL	19,796,159	15,837,298	20,855,300	31.68	208.40	-6.81
BDL Certificates of Deposits in FC	25,785,064	25,008,621	20,567,648	-17.76	13.28	-94.81
Other debt instruments	9,315,762	8,827,848	8,332,904	-5.61	90.30	-42.70
Equity instruments	1,960,000	2,093,925	2,087,272	-0.32	42.73	-45.95
Total	105,729,051	95,726,249	97,751,577	2.12	31.36	-35.57
In %				Peer	High	Low
Portfolio securities / deposits	39.36	34.42	34.42	34.42	60.06	6.20
Lebanese Treasury bills in LL / deposits in LL	33.01	30.55	29.96	29.96	82.47	7.53
BDL's Certificates of deposits in LL / deposits in LL	24.41	20.26	27.52	27.52	71.37	1.13
Lebanese Sovereign eurobonds / deposits in FC	11.79	10.04	11.14	11.14	26.10	1.17
BDL's Certificates of deposits in FC / deposits in FC	13.75	12.51	9.88	9.88	26.77	0.57
Lebanese Sovereign eurobonds / equity	70.97	60.72	69.95	69.95	172.89	7.17
Asset quality (In LL Million)				Peer YTD %	High	Low
Gross loans	105,631,709	107,506,000	103,332,982	-3.88	18.02	-17.89
Gross non performing loans (NPLs)	7,303,160	8,199,971	9,231,440	12.58	91.46	-3.02
<i>Of which net NPLs</i>	2,627,909	3,214,490	3,494,938	8.72	108.69	-31.12
<i>Of which specific provisions for NPLs</i>	2,359,720	2,519,549	3,107,556	23.34	161.04	-23.07
<i>Of which unrealised interest on NPLs</i>	2,315,531	2,465,932	2,628,946	6.61	91.89	-15.01
Net loans	99,386,480	101,000,561	96,314,159	-4.64	17.74	-18.60
LLRs on NPLs	4,675,251	4,985,481	5,736,502	15.06	134.23	-2.77
Collective provisions	1,569,978	1,627,858	1,911,464	17.42	830.02	-99.51
<i>Of which collective provisions on loans</i>	1,569,978	1,519,958	1,282,321	-15.63	613.39	-99.51
<i>Of which collective provisions on financial assets</i>	-	107,899	629,143	483.08	29.22	7.35
Debt written off	2,119,117	2,641,571	3,412,246	29.17	180.53	-65.89
Asset quality ratios (In %)				Peer	High	Low
Gross NPLs / gross loans	6.91	7.63	8.93	8.93	15.87	4.49
Net NPLs / gross loans	2.49	2.99	3.38	3.38	7.63	1.05
LLRs on NPLs / NPLs	64.02	60.80	62.14	62.14	76.56	39.01
LLRs / gross loans	5.91	6.05	6.79	6.79	10.80	3.34
Collective provisions / net loans	1.58	1.50	1.33	1.33	3.96	0.00
Net NPLs / equity	8.44	9.72	10.53	10.53	38.39	2.41
Equity / assets	9.37	9.33	8.41	8.41	12.45	6.83
Write-offs / gross NPLs + write-offs	22.49	24.37	26.99	26.99	59.62	0.14

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Income Statement (In LL million)	Dec-16	Dec-17	Dec-18	Peer YOY %	High	Low
Interest & similar income	17,632,969	19,753,583	23,833,680	20.65	43.80	6.76
Less 7% tax on interest earned	-	91,676	910,410	893.08	807.95	172.15
Interest & similar income, net of tax	17,632,969	19,661,907	22,923,269	16.59	37.39	2.64
Interest & similar expense	11,911,615	13,496,037	16,113,095	19.39	43.40	0.04
Net interest income	5,721,354	6,165,871	6,810,174	10.45	84.82	-36.61
Fee & commission income	2,714,342	1,734,973	1,732,961	-0.12	26.44	-12.12
Fee & commission expense	363,322	361,112	365,867	1.32	27.79	-35.97
Net fee & commission income	2,351,020	1,373,861	1,367,094	-0.49	38.75	-12.35
Net gain(loss) on financial assets(liabilities) at FVTPL	1,818,422	894,650	581,320	-35.02	55.59	-83.77
<i>Of which net revaluation gain/loss</i>	50,719	-1,474	-31,963	-	77.41	-640.01
<i>Of which net interest income(expense)</i>	432,739	427,273	187,085	-56.21	10.16	-97.11
<i>Of which net profits on foreign exchange</i>	442,848	193,213	186,280	-3.59	117.43	-57.40
Net gain(loss) on financial investments	1,712,225	310,890	31,301	-89.93	32.39	-93.98
Other operating income	273,116	783,941	309,079	-60.57	270.87	-90.78
Total operating income	11,876,136	9,529,212	9,098,968	-4.51	20.12	-51.90
Net provisions for credit losses	1,747,482	643,307	574,501	-10.70	650.56	-88.09
<i>Credit losses on debt instruments at amortized cost</i>	-4,036	1,379	813	-41.05	324.38	-41.16
<i>Credit losses on non performing loans</i>	806,449	913,045	891,063	-2.41	311.38	-96.53
<i>Recoveries of provisions on non performing loans</i>	260,798	301,162	439,586	45.96	434.15	-98.45
<i>Collective provisions</i>	886,082	9,665	92,697	859.14	399.03	-99.40
<i>Of which collective provisions on loans</i>	886,082	9,665	87,381	804.14	399.03	-99.40
<i>Of which collective provisions on financial assets</i>	-	-	5,316	-	-	-
<i>Other net provisions</i>	319,785	20,380	29,515	44.83	38.34	-91.53
Provisions for impairment of other financial instr./inv.	227,951	12,234	4,120	-66.32	55.49	55.49
Net operating income	9,900,703	8,873,671	8,520,347	-3.98	18.49	-44.63
Staff expenses	2,587,848	2,537,892	2,524,666	-0.52	18.74	-20.04
Administrative & other operating expenses	1,677,634	1,673,547	1,637,310	-2.17	25.82	-31.59
Depreciation of tangible fixed assets	268,006	263,270	254,267	-3.42	9.72	-17.47
Amortization of intangible fixed assets	52,220	41,687	41,978	0.70	322.43	-87.97
Impairment of goodwill	388,922	171,604	-	-	-	-
Total operating expenses	4,974,630	4,688,000	4,458,221	-4.90	18.93	-30.97
Operating profit	4,926,074	4,185,671	4,062,126	-2.95	31.20	-83.76
Share of profit of associates under equity method	40,095	45,122	54,007	19.69	67.22	-72.73
Net gain(loss) from sale or disposal of other assets	-85,334	19,390	7,337	-62.16	96.14	-211.52
Profit before tax	4,880,835	4,250,183	4,123,470	-2.98	32.26	-78.88
Income tax	1,150,376	783,788	704,180	-10.16	49.27	-96.76
Profit after tax from operating activities	3,730,459	3,466,395	3,419,290	-1.36	36.49	-71.80
Profit after tax from discontinued activities	-261,966	148,403	-3,975	-	-	-
Net profit	3,468,493	3,614,798	3,415,315	-5.52	36.49	-84.09
<i>Of which domestic net profit</i>	2,458,550	3,125,476	3,079,054	-1.49	36.49	-84.09
Net profit - Non controlling interest	215,572	145,973	62,999	-56.84	13.67	-181.19
Net profit - Group share	3,252,920	3,468,825	3,352,316	-3.36	36.49	-84.77
Earnings per share	-	-	-	-	36.49	-84.77
Structural ratios (In %)	Dec-16	Dec-17	Dec-18	Peer	High	Low
Interest expense / interest income	65.93	67.18	69.72	69.72	83.35	62.20
Credit cost / pre-provision, pre-tax profit	25.49	13.11	12.22	12.22	54.75	-38.10
Credit cost / outstanding net loans	1.76	0.64	0.60	0.60	3.32	-0.16
Non interest income / total income	46.81	32.32	23.58	23.58	37.84	2.43
Net fees and commissions / non interest income	43.42	43.63	63.32	63.32	107.25	26.41
Net fees and commissions / average assets	0.73	0.40	0.37	0.37	0.54	0.07
Operating expenses / average assets	1.54	1.37	1.19	1.19	1.62	0.72
Income tax / profit before tax	23.57	18.44	17.08	17.08	20.16	1.09
Net profit - group share / net profit	93.78	95.96	98.16	98.16	188.34	82.38

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Key performance metrics (In %)	Dec-16	Dec-17	Dec-18	Peer performance		
				Average	High	Low
Yield on earning assets	5.83	6.11	6.48	6.48	8.11	5.60
o.w. in LL	6.59	6.78	7.36	7.36	9.16	4.99
o.w. in FC	5.47	5.78	5.99	5.99	7.08	4.83
- Cost of earning assets	3.84	4.10	4.52	4.52	5.59	3.56
o.w. in LL	4.64	4.52	5.00	5.00	6.28	3.47
o.w. in FC	3.47	3.90	4.25	4.25	5.03	3.04
<i>Cost of funds</i>	4.19	4.50	4.90	4.90	5.96	4.08
o.w. in LL	5.45	5.41	5.87	5.87	7.27	4.36
o.w. in FC	3.65	4.11	4.43	4.43	5.26	3.36
= Interest margin	1.99	2.00	1.96	1.96	2.77	1.06
o.w. in LL	1.95	2.27	2.36	2.36	4.37	0.91
o.w. in FC	2.00	1.88	1.74	1.74	2.40	0.65
x Average interest earning assets / average assets	96.12	95.82	95.33	95.33	98.96	89.99
o.w. in LL	95.80	95.86	96.43	96.43	107.58	91.54
o.w. in FC	96.27	95.81	94.73	94.73	98.56	86.96
= Spread	1.91	1.92	1.87	1.87	2.74	1.02
o.w. in LL	1.87	2.17	2.28	2.28	4.17	0.85
o.w. in FC	1.93	1.80	1.65	1.65	2.33	0.64
+ Non interest income / average assets	1.68	0.92	0.58	0.58	0.88	0.07
= Asset utilization	3.59	2.84	2.45	2.45	3.29	1.30
x Net operating margin	29.98	37.10	37.30	37.30	51.32	3.44
<i>Of which cost / income</i>	43.00	48.12	48.69	48.69	99.41	25.75
<i>Of which credit cost</i>	15.10	6.60	6.27	6.27	13.66	-2.96
<i>Of which provisions on impairment of financial instruments</i>	1.97	0.13	0.04	0.04	7.60	-2.87
<i>Of which tax cost</i>	9.94	8.05	7.69	7.69	11.66	0.12
= ROAA	1.08	1.05	0.91	0.91	1.47	0.06
x Leverage (times)	10.88	10.69	11.30	11.30	13.87	7.92
= ROAE	11.71	11.26	10.31	10.31	18.47	0.66
ROACE	12.90	12.40	11.17	11.17	20.26	0.66
Management efficiency						
Average footings per branch (LL Billion)	314.906	341.250	373.091	373.091	497.321	197.556
Average footings per staff (LL Billion)	12.599	13.370	14.622	14.622	29.617	9.880
Average staff per branch	23.52	23.91	23.88	23.88	29.49	16.46
Cost per average branch (LL Billion)	3.970	3.833	3.656	3.656	5.127	1.612
Staff expenses per average staff (LL Billion)	0.083	0.081	0.081	0.081	0.108	0.063
Staff expenses to general operating expenses (%)	52.02	54.14	56.63	56.63	66.25	46.76
Total income per average staff (LL Billion)	0.369	0.312	0.294	0.294	0.804	0.158
Investment considerations						
Common shares outstanding (000)	2,472,300	2,475,579	2,480,049	155,003	900,000	57
<i>Of which GDRs</i>	257,200	257,249	257,099	16,069	119,925	63,278
Preferred shares outstanding (000)	78,038	58,888	57,388	3,587	20,970	38
Common earnings per share (LL)	-	-	-	-	4,719,927.65	35.16
Common book per share (LL)	-	-	-	-	39,565,404.51	339.66