

Average performance of the lebanese banking sector

Consolidated summarized balance sheet at year end	LL Million			USD Million			%	
	2016	2017	17/16	2016	2017	17/16	2016	2017
Assets								
Primary liquidity	125,182,091.580	154,469,717.438	23.4	83,039.530	102,467.474	23.4	34.4	39.7
Portfolio securities	114,502,585.894	104,294,258.809	-8.9	75,955.281	69,183.588	-8.9	31.5	26.8
Loans and advances	111,735,797.540	114,341,645.353	2.3	74,119.932	75,848.521	2.3	30.7	29.4
Fixed assets	6,830,358.502	8,768,787.811	28.4	4,530.918	5,816.775	28.4	1.9	2.3
Other assets	5,488,890.132	6,783,352.142	23.6	3,641.055	4,499.736	23.6	1.5	1.7
Total assets	363,739,723.648	388,657,761.553	6.9	241,286.716	257,816.094	6.9	100.0	100.0
Liabilities and shareholders' equity								
Deposits from banks	22,771,300.440	34,868,612.012	53.1	15,105.340	23,130.091	53.1	6.3	9.0
Deposits from customers	291,331,832.774	300,918,577.608	3.3	193,254.947	199,614.314	3.3	80.1	77.4
Other liabilities	14,781,377.773	15,708,674.236	6.3	9,805.226	10,420.348	6.3	4.1	4.0
Shareholders' equity	34,855,212.661	37,161,897.697	6.6	23,121.202	24,651.342	6.6	9.6	9.6
Total liabilities and shareholders' equity	363,739,723.648	388,657,761.553	6.9	241,286.716	257,816.094	6.9	100.0	100.0
Total footings	442,919,804.025	468,426,160.224	5.8	293,810.815	310,730.455	5.8		
Consolidated profit & loss account								
at year end								
Interest & similar income	19,191,406.113	21,383,785.299	11.4	12,730.618	14,184.932	11.4		
Interest & similar expense	12,834,159.482	14,512,636.978	13.1	8,513.539	9,626.957	13.1		
Net interest income	6,357,246.631	6,871,148.321	8.1	4,217.079	4,557.976	8.1		
Net fee & commission income	2,557,649.959	1,570,874.654	-38.6	1,696.617	1,042.040	-38.6		
Net gain/loss on financial assets/liabilities at FVTP&L	2,011,537.681	836,236.849	-58.4	1,334.353	554.718	-58.4		
Net gain/loss on financial investments	1,733,800.185	368,710.553	-78.7	1,150.116	244.584	-78.7		
Other operating income	305,785.915	952,177.182	211.4	202.843	631.627	211.4		
Total operating income	12,966,020.371	10,599,147.559	-18.3	8,601.009	7,030.944	-18.3		
Net provisions for credit losses	1,862,612.015	719,087.437	-61.4	1,235.564	477.007	-61.4		
Provisions for impairment of other financial instr./inv.	227,966.596	12,234.252	-94.6	151.222	8.116	-94.6		
Net operating income	10,875,441.761	9,867,825.871	-9.3	7,214.223	6,545.821	-9.3		
Total operating expenses	5,609,119.910	5,302,819.060	-5.5	3,720.809	3,517.625	-5.5		
Operating profit	5,266,321.851	4,565,006.811	-13.3	3,493.414	3,028.197	-13.3		
Share of profit of associates under equity method	41,775.615	46,618.119	11.6	27.712	30.924	11.6		
Net gain/loss from sale or disposal of other assets	-85,191.781	19,405.543	-	-56.512	12.873	-		
Profit before tax	5,222,905.685	4,631,030.473	-11.3	3,464.614	3,071.994	-11.3		
Income tax	1,223,400.389	872,010.562	-28.7	811.543	578.448	-28.7		
Profit after tax from operating activities	3,999,505.296	3,759,019.910	-6.0	2,653.072	2,493.546	-6.0		
Result of discontinued operations	-261,966.449	143,790.729	-	-173.775	95.384	-		
Net profit	3,737,538.846	3,902,810.640	4.4	2,479.296	2,588.929	4.4		
Net profit - Non controlling interest	215,715.703	146,363.985	-32.1	143.095	97.091	-32.1		
Net profit - Group share	3,521,823.143	3,756,446.654	6.7	2,336.201	2,491.839	6.7		
Growth							2016	2017
Assets (%)							5.9	6.9
Loans to customers (%)							2.0	2.3
Deposits from customers (%)							3.6	3.3
Shareholders' equity (%)							9.9	6.6
Total L/C openings for the year (%)							5.8	14.5
Total income (%)							31.5	-14.6
Total operating expenses (%)							15.8	-5.5
Net profits for the year (%)							12.6	4.4
Management and cost efficiency								
Footings per branch (LL Billion)							296.606	321.236
Footings per staff (LL Billion)							12.005	12.743
Staff per branch							23.4	23.7
Cost per average branch (LL Billion)							3.856	3.738
Staff expenses per average staff (LL Billion)							0.081	0.080
Staff expenses to total operating expenses (%)							52.13	54.06
Cost to income (%)							44.30	49.06
Cost to average assets (%)							1.59	1.41
Liquidity								
Net primary liquidity / deposits							35.15	39.75
Net primary liquidity in LL / deposits in LL							37.55	38.79
Net primary liquidity in FX / deposits in FX							34.09	40.13
Capital adequacy								
Common Tier 1 ratio							11.55	12.11
Additional Tier 1 ratio							3.15	2.96
Tier 1 ratio							14.70	15.07
Tier 2 ratio							1.79	1.75
Total capital ratio							16.49	16.82
Profitability								
Net return on average equities (%)							11.23	10.84
Net return on average assets (%)							1.06	1.04
Investment considerations								
Common earnings per share (LL)							788.68	847.66
Common book per share (LL)							6,560.42	7,161.59
ROAE to hurdle rate (times)							0.80	0.77