

Average performance of the lebanese banking sector

Consolidated summarized balance sheet	LL Million			USD Million			%	
	2017	2018	18/17	2017	2018	18/17	2017	2018
at year end								
Assets								
Primary liquidity	152,584,287.236	194,044,532.802	27.2	101,216.774	128,719.425	27.2	39.3	45.1
Portfolio securities	106,197,666.377	107,702,759.044	1.4	70,446.213	71,444.616	1.4	27.3	25.0
Loans and advances	114,338,009.891	110,021,969.575	-3.8	75,846.109	72,983.064	-3.8	29.4	25.6
Fixed assets	8,712,878.055	9,480,796.072	8.8	5,779.687	6,289.085	8.8	2.2	2.2
Other assets	6,811,687.107	8,745,659.681	28.4	4,518.532	5,801.433	28.4	1.8	2.0
Total assets	388,644,528.667	429,995,717.173	10.6	257,807.316	285,237.623	10.6	100.0	100.0
Liabilities and shareholders' equity								
Deposits from banks	34,849,173.517	68,744,955.566	97.3	23,117.196	45,601.961	97.3	9.0	16.0
Deposits from customers	300,881,810.242	307,041,021.847	2.0	199,589.924	203,675.636	2.0	77.4	71.4
Other liabilities	15,750,365.287	16,894,760.947	7.3	10,448.004	11,207.138	7.3	4.1	3.9
Shareholders' equity	37,163,179.620	37,314,978.812	0.4	24,652.192	24,752.888	0.4	9.6	8.7
Total liabilities and shareholders' equity	388,644,528.667	429,995,717.173	10.6	257,807.316	285,237.623	10.6	100.0	100.0
Total footings	468,543,983.849	516,857,131.965	10.3	310,808.613	342,857.136	10.3		
Consolidated profit & loss account								
at year end								
Interest & similar income, net of tax	21,347,025.250	24,801,798.488	16.2	14,160.547	16,452.271	16.2		
Interest & similar expense	14,510,019.766	17,325,820.304	19.4	9,625.220	11,493.081	19.4		
Net interest income	6,837,005.484	7,475,978.183	9.3	4,535.327	4,959.190	9.3		
Net fee income	1,575,198.627	1,549,690.252	-1.6	1,044.908	1,027.987	-1.6		
Net gain/loss on financial instruments at FVTPL	960,100.507	615,183.663	-35.9	636.883	408.082	-35.9		
Net gain/loss on financial investments	367,667.606	49,400.009	-86.6	243.892	32.769	-86.6		
Other operating income	942,869.652	364,201.885	-61.4	625.453	241.593	-61.4		
Total operating income	10,682,841.876	10,054,453.991	-5.9	7,086.462	6,669.621	-5.9		
Allowance for expected credit loss (ECL)	695,497.928	501,034.487	-28.0	461.358	332.361	-28.0		
Impairment allowance of other fin. inv. (affiliates & subs.)	137,307.855	2,981.433	-97.8	91.083	1.978	-97.8		
Other provisions	57,260.099	49,600.738	-13.4	37.983	32.903	-13.4		
Net operating income	9,792,775.995	9,500,837.333	-3.0	6,496.037	6,302.380	-3.0		
Total operating expenses	5,263,375.669	5,097,348.705	-3.2	3,491.460	3,381.326	-3.2		
Operating profit	4,529,400.325	4,403,488.628	-2.8	3,004.577	2,921.054	-2.8		
Share of profit of associates under equity method	46,618.119	45,892.136	-1.6	30.924	30.443	-1.6		
Net gain/loss from sale or disposal of other assets	19,392.913	21,013.768	8.4	12.864	13.939	8.4		
Profit before tax	4,595,411.357	4,470,394.533	-2.7	3,048.366	2,965.436	-2.7		
Income tax	845,155.362	762,607.207	-9.8	560.634	505.875	-9.8		
Profit after tax from operating activities	3,750,255.996	3,707,787.326	-1.1	2,487.732	2,459.560	-1.1		
Profit after tax from discontinued activities	148,403.729	-3,974.837	-	98.444	-2,637	-		
Net profit	3,898,659.725	3,703,812.489	-5.0	2,586.176	2,456.924	-5.0		
Net profit - Non controlling interest	146,363.985	61,107.028	-58.2	97.091	40.535	-58.2		
Net profit - Group share	3,752,295.739	3,642,705.461	-2.9	2,489.085	2,416.388	-2.9		
Growth							2017	2018
Assets (%)							6.8	10.6
Loans to customers (%)							2.3	-3.8
Deposits from customers (%)							3.3	2.0
Shareholders' equity (%)							6.6	0.4
Total L/C openings for the year (%)							16.0	3.3
Total income (%)							-13.9	-7.2
Total operating expenses (%)							-6.2	-3.2
Net profits for the year (%)							4.3	-5.0
Management and cost efficiency								
Footings per branch (LL Billion)							320.931	347.217
Footings per staff (LL Billion)							12.755	13.843
Staff per branch							23.7	23.6
Cost per average branch (LL Billion)							3.707	3.592
Staff expenses per average staff (LL Billion)							0.080	0.081
Staff expenses to total operating expenses (%)							54.53	56.48
Cost to income (%)							48.30	50.38
Cost to average assets (%)							1.40	1.25
Liquidity								
Net primary liquidity / deposits							44.93	56.54
Net primary liquidity in LL / deposits in LL							58.39	93.98
Net primary liquidity in FX / deposits in FX							39.55	42.70
Capital adequacy								
Common Tier 1 ratio							12.19	12.65
Additional Tier 1 ratio							2.96	2.82
Tier 1 ratio							15.15	15.47
Tier 2 ratio							1.75	2.31
Total capital ratio							16.90	17.79
Profitability								
Net return on average equities (%)							10.83	9.95
Net return on average assets (%)							1.04	0.90
Investment considerations								
Common earnings per share (LL)							846.62	818.91
Common book per share (LL)							7,161.91	7,382.28
ROAE to hurdle rate (times)							0.77	0.62