



## Investor Presentation

Q1 2018

# 1. Overview

2. Financial Information

3. Business Information

4. Share Information



## Major Highlights

One of the oldest local banks, founded in 1951

The most profitable bank with net profits of \$485.3M in 2017

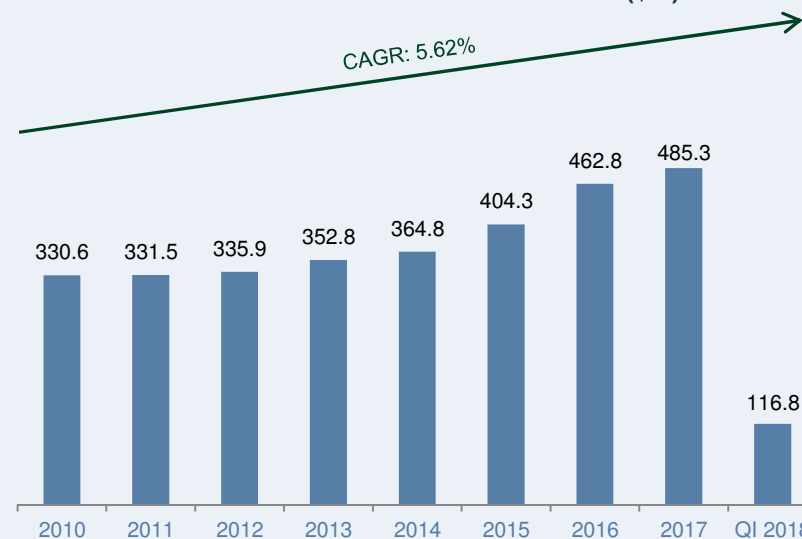
Offers complete range of universal banking services

Highest Credit Ratings: B3 (Moody's), B- (Standard & Poor's) & B (Capital Intelligence)

Highest Corporate Governance Score in Lebanon by Capital Concept s.a.l.

Geographic presence throughout MENA & Europe: Lebanon, Jordan, Egypt, UAE, KSA, Qatar, Iraq, UK, France, Switzerland, Romania, Cyprus

## Consistent Annual Income Growth (\$M)



## Most Awarded Local Bank by Prominent International Sources

The Banker

Euromoney

Global Finance

Global Investor

EMEA Finance

Banker Middle East

MENA FM

The Asian Banker

## Key Indicators

	Q1 2018	2017	
ROAA	1.42%	1.56%	
ROAE	15.21%	17.20%	
EPS (annualized)	\$2.17	\$2.25	
No. of Employees	5,175	5,085	
Overall Liquidity	FC	61.68%	61.91%
	LBP	80.87%	79.83%
No. of Branches *	Lebanon	91	90
	Foreign	136	136

\* Includes 56 Insurance points of sale

1. Overview

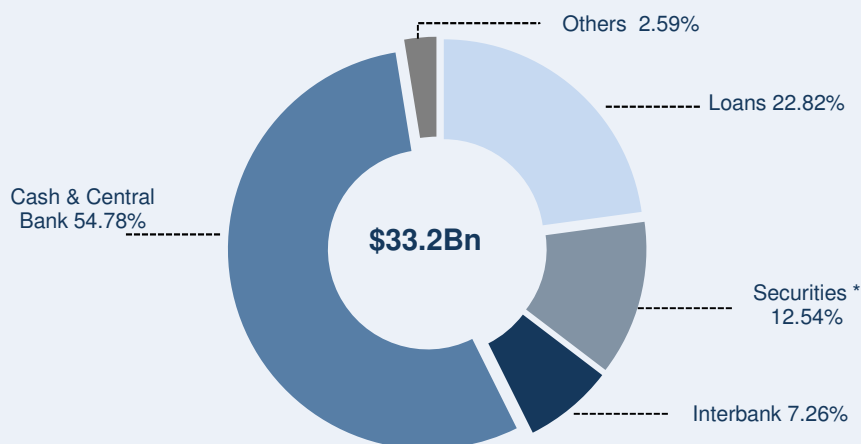
**2. Financial Information**

3. Business Information

4. Share Information



**Breakdown of Total Assets**  
 [\$33.2Bn; 10.13% YoY; 2010-2017 CAGR 5.53%]



\* Sovereign bonds, corporate bonds, equity and funds

**Breakdown of Assets by Country**

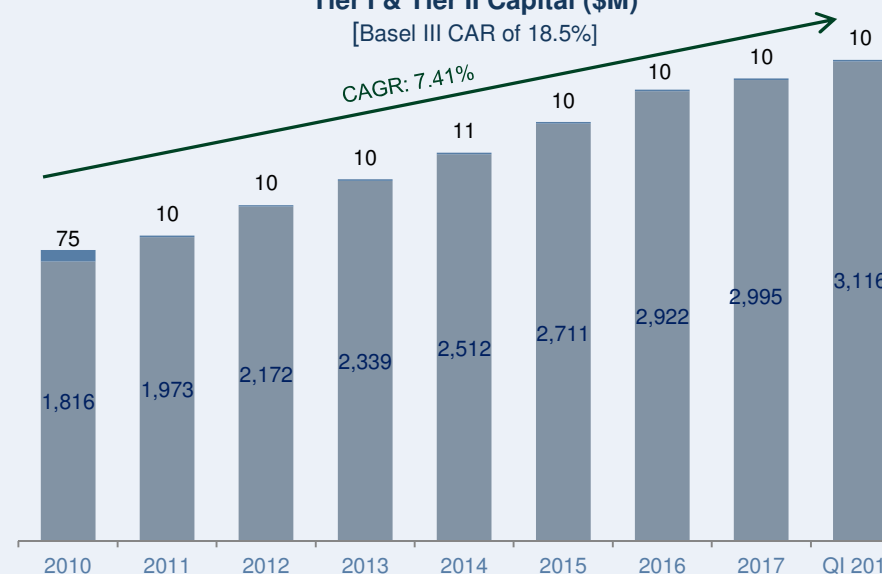
(\$M)	QI 2018	% Total	YoY	2017	2016	2015	2014
Lebanon	27,173	81.86	10.35	26,496	23,999	22,402	21,612
Egypt	2,016	6.08	22.11	1,951	1,519	2,527	2,093
Jordan	1,049	3.16	1.16	1,047	1,082	1,106	1,102
UAE	947	2.85	8.60	981	829	729	727
KSA	95	0.29	(10.38)	93	105	109	100
Qatar	100	0.30	(0.99)	105	94	89	120
Iraq	78	0.23	(3.70)	86	76	55	27
Europe	1,736	5.23	4.14	1,785	1,813	1,811	1,820

**Shareholder's Equity by Country** [\$3.13Bn; 9.42% YoY]

(\$M)	QI 2018	% Total	YoY	2017	2016	2015	2014
Lebanon	2,213	70.79	7.90	2,120	2,164	1,821	1,662
Egypt	174	5.57	21.68	164	116	241	217
Jordan	136	4.35	3.03	133	128	122	113
UAE	132	4.22	0.76	129	129	128	124
KSA	85	2.72	2.41	84	83	77	71
Qatar	41	1.31	2.50	41	40	39	36
Iraq	50	1.60	78.57	49	29	5	12
Europe	295	9.44	18.47	285	243	241	240

**Tier I & Tier II Capital (\$M)**

[Basel III CAR of 18.5%]



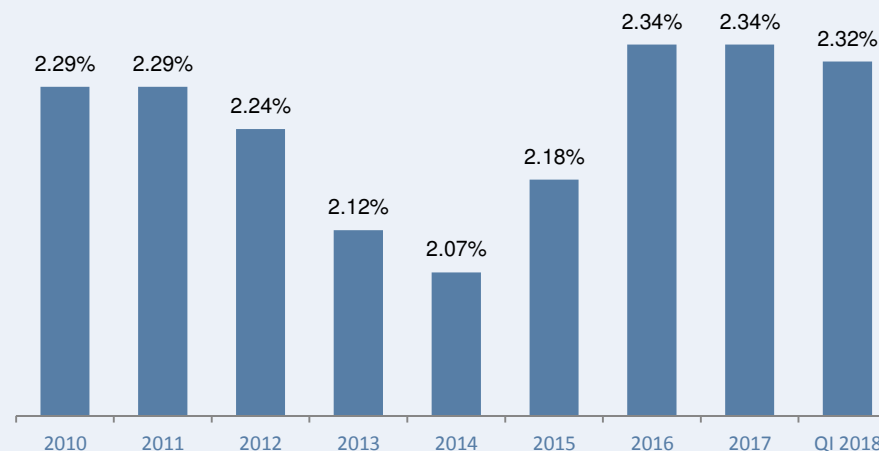
## Net Income by Country

[Net Income \$116.83M; 4.28% YoY; 2010-2017 CAGR 5.62%]

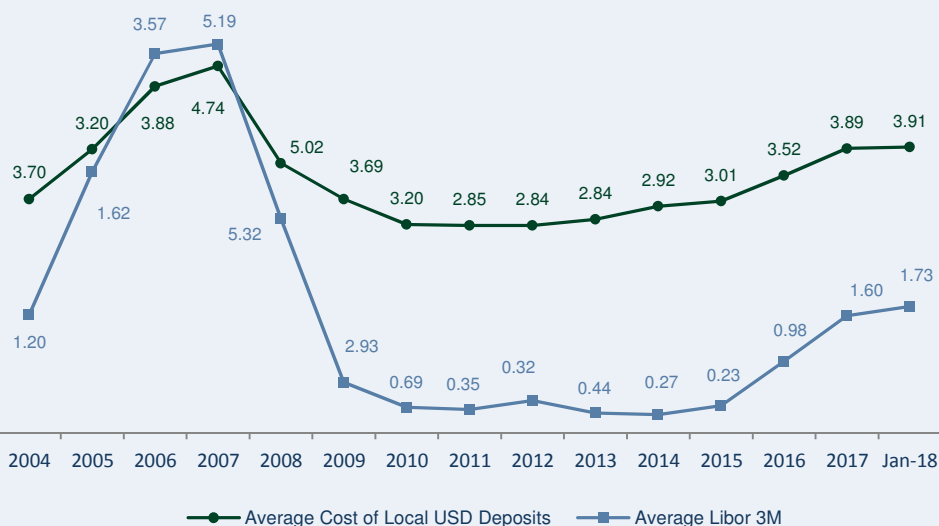
(\$M)	Q1 2018	% Total	YoY	2017	2016	2015	2014
Lebanon	99.61	85.26	9.38	418.82	360.39	298.33	286.50
Egypt	9.28	7.93	(20.34)	29.95	53.23	43.34	33.14
Jordan	2.74	2.35	(18.93)	12.59	15.17	17.79	16.46
UAE	2.66	2.28	20.91	9.69	10.76	7.41	6.68
KSA	0.30	0.26	(48.28)	2.23	6.34	7.22	6.81
Qatar	0.50	0.43	66.67	1.02	1.17	2.42	(4.77)
Iraq	(0.16)	(0.14)	58.97	(1.18)	4.03	(9.27)	(2.39)
Europe	1.90	1.63	(41.36)	12.15	11.74	12.94	9.32

## Net Interest Margin

[Net Interest Income \$194.06M; 13.74% YoY; 2010-2017 CAGR 5.86%]



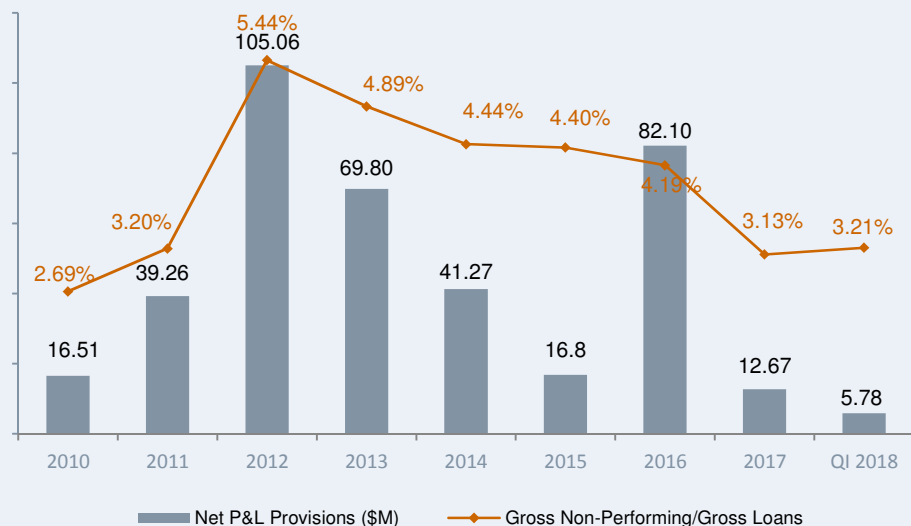
## USD Interbank & Deposits (%)



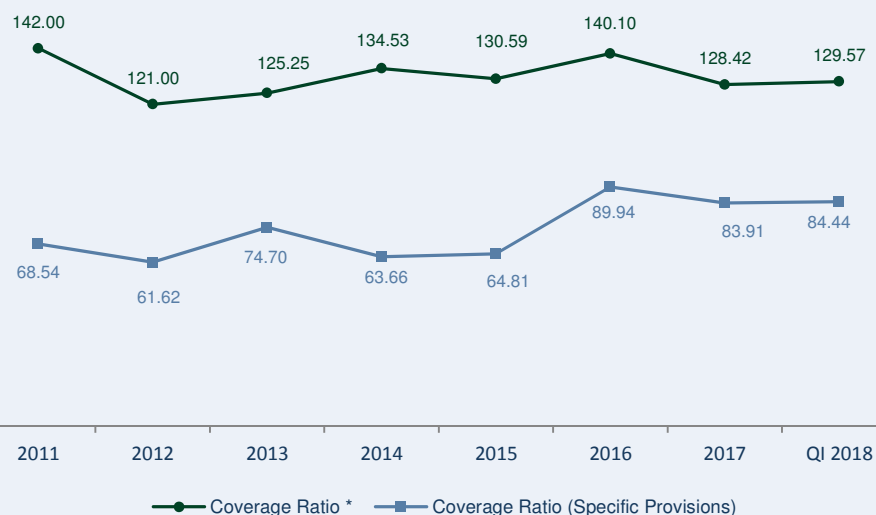
## Net Interest Margin by Country (%)

(\$M)	Q1 2018	2017	2016	2015	2014
Lebanon	2.15	2.26	2.19	2.07	2.01
Egypt	3.30	3.75	4.16	3.72	3.60
Jordan	3.20	3.29	3.46	3.40	3.08
UAE	2.21	2.16	2.08	1.76	1.84
KSA	0.22	0.25	0.62	0.22	0.43
Qatar	3.49	3.40	3.43	3.31	1.45
Iraq	0.92	1.08	1.29	1.00	(0.05)
Europe	1.16	1.49	1.39	0.86	1.08

### Net P&L Provisions [(1964%) YoY] ; NPLs



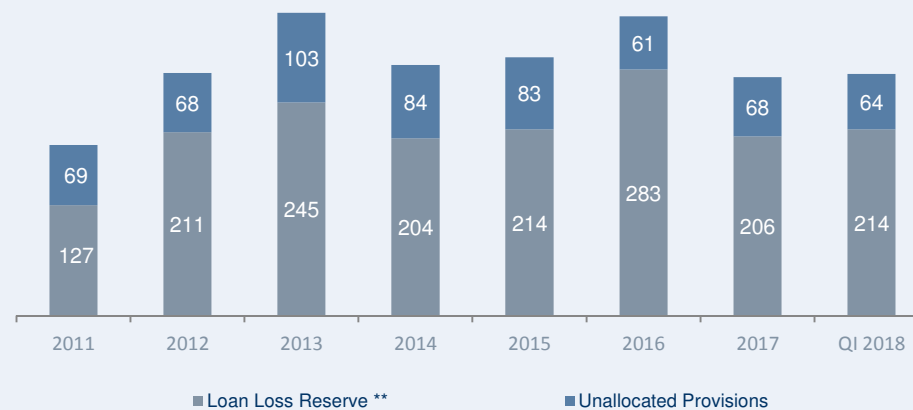
### Coverage Ratios (%)



### Asset Quality ; Coverage Ratio \*

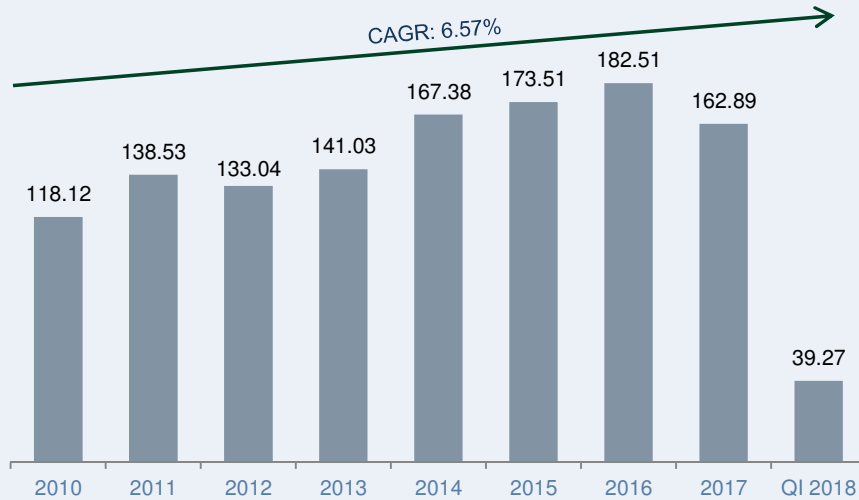
(%)	Q1 2018	Coverage	2017	2016	2015	2014
Lebanon	3.03	134.26	2.94	4.28	4.13	4.29
Egypt	0.50	100.16	0.54	0.62	1.44	1.98
Jordan	4.39	137.15	3.98	4.21	3.33	3.24
UAE	1.77	163.62	1.69	1.78	10.33	1.95
KSA	-	-	-	-	-	-
Qatar	5.76	164.60	5.62	5.79	6.16	5.71
Iraq	-	-	0.00	15.47	0.00	0.00
Europe	9.16	97.08	9.38	7.92	8.27	7.89

### Balance sheet Provisions (\$M)



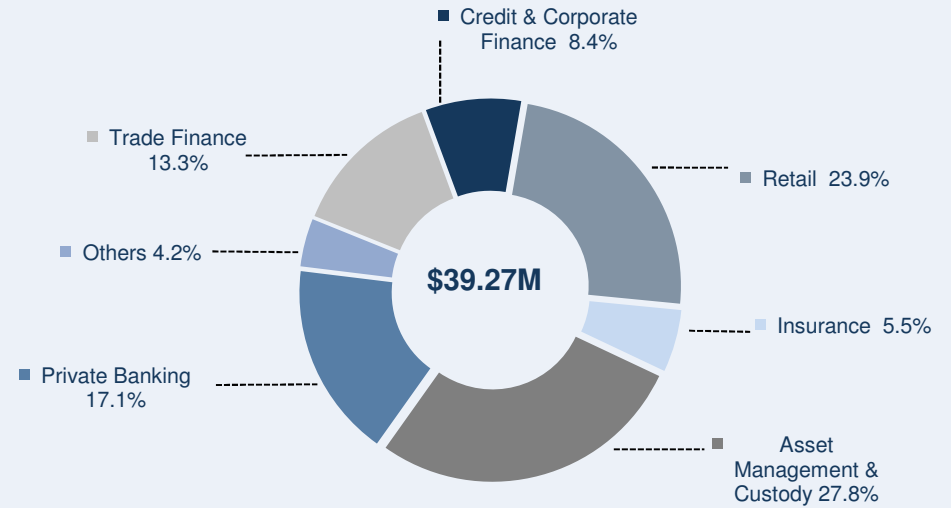
## Fee Income (\$M)\*

[(4.38%) YoY; Ratio of Fee Income to Operating Income Q1 2018 16.48%]

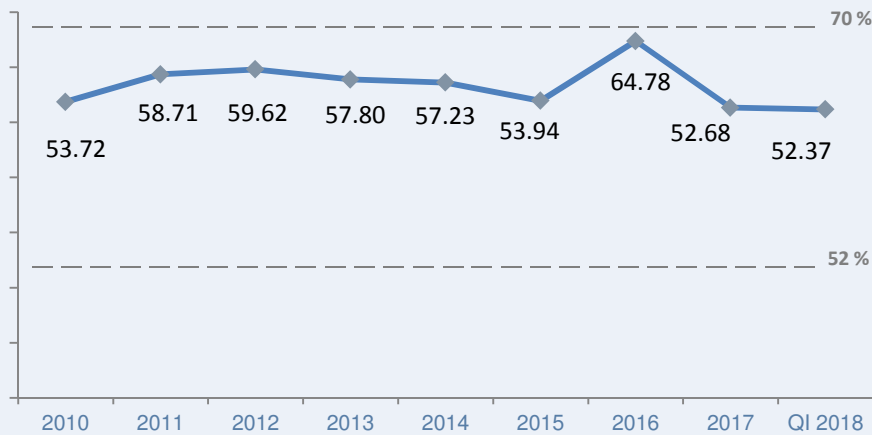


\*Includes Net Commissions & Fee income, Foreign Exchange Gain & Dividends

## Fee Income Breakdown by Type

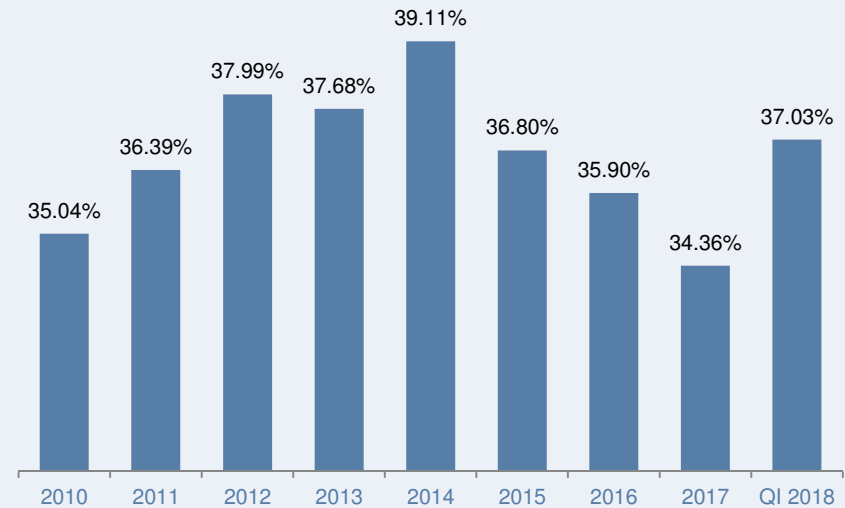


## Efficiency Ratio \*



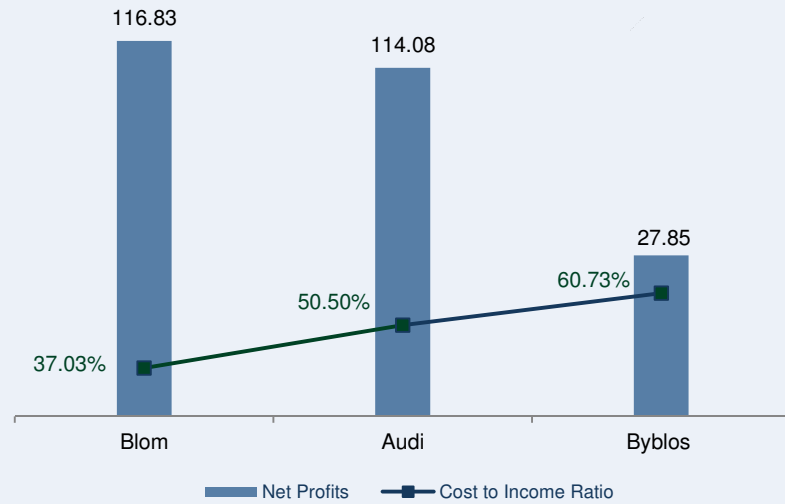
\* Non-Interest Expenses / Total Revenue

## Cost-to-Income

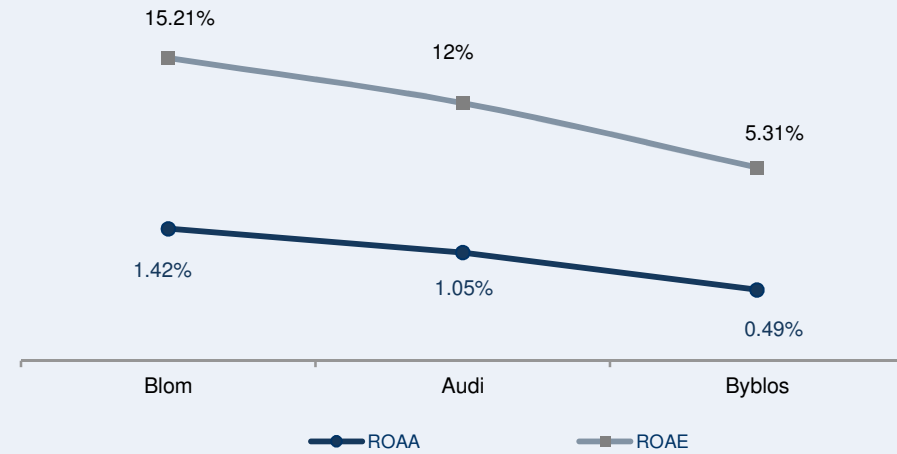




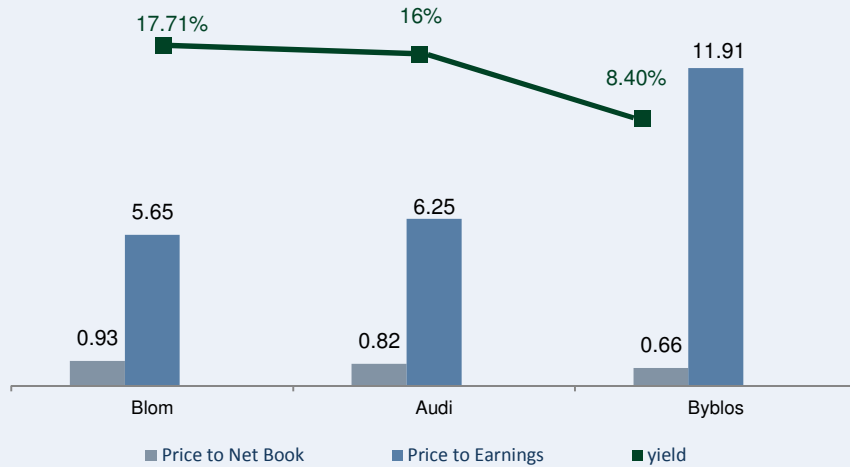
### Net Income (\$M)



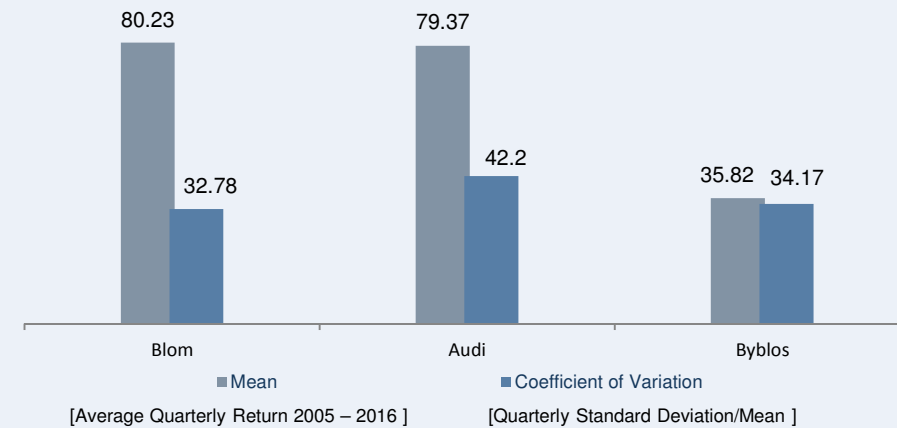
### ROA ; ROE (Common)



### Financial Ratios



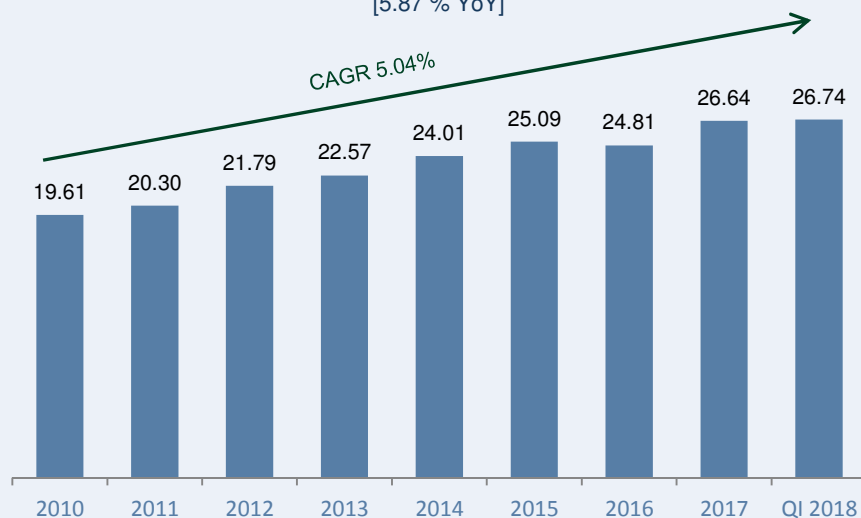
### Volatility of Return



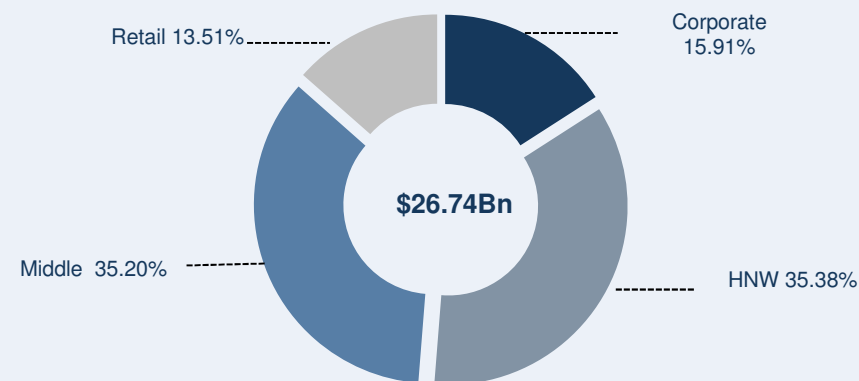
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**Total Deposits (\$Bn)**  
[5.87 % YoY]



**Total Deposits by Holder \*\***

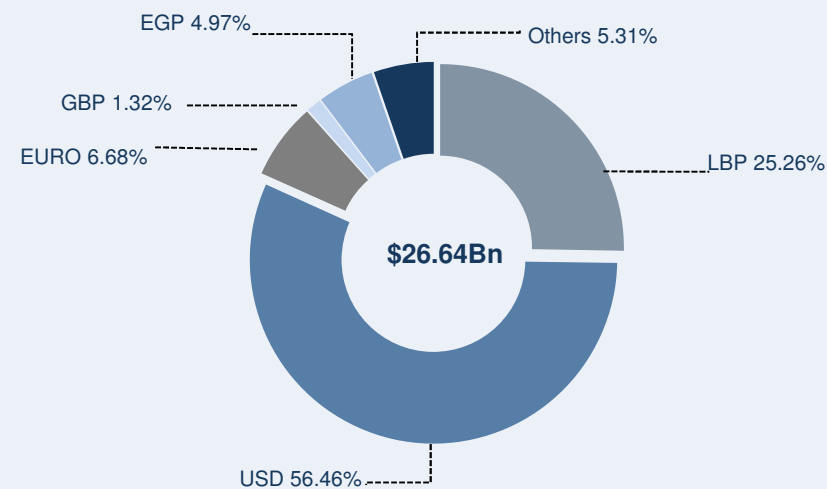


\*\* Retail < \$100k ; Middle \$100K - \$1M ; HNW >\$1M

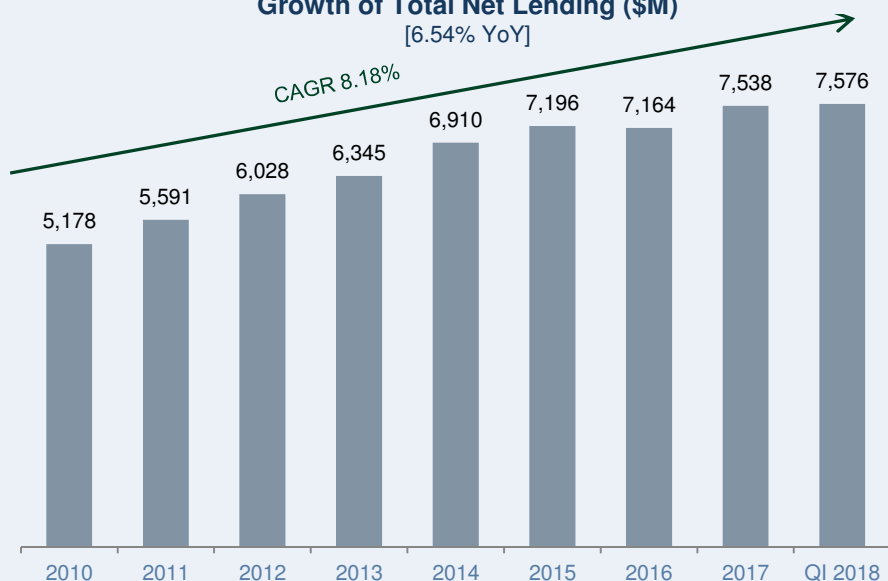
**Deposits Breakdown by Country**

(\$M)	QI 2018	% Total	YoY	2017	2016	2015	2014
Lebanon	22,135	82.79	5.06	21,878	20,597	19,868	19,047
Egypt	1,755	6.57	21.79	1,711	1,327	2,160	1,776
Jordan	833	3.12	(1.30)	841	875	921	905
UAE	701	2.62	4.78	744	637	554	526
Iraq	39	0.15	(9.30)	32	39	33	7
Qatar	17	0.06	54.55	20	7	6	40
Europe	1,255	4.69	6.72	1,416	1,329	1,295	1,343

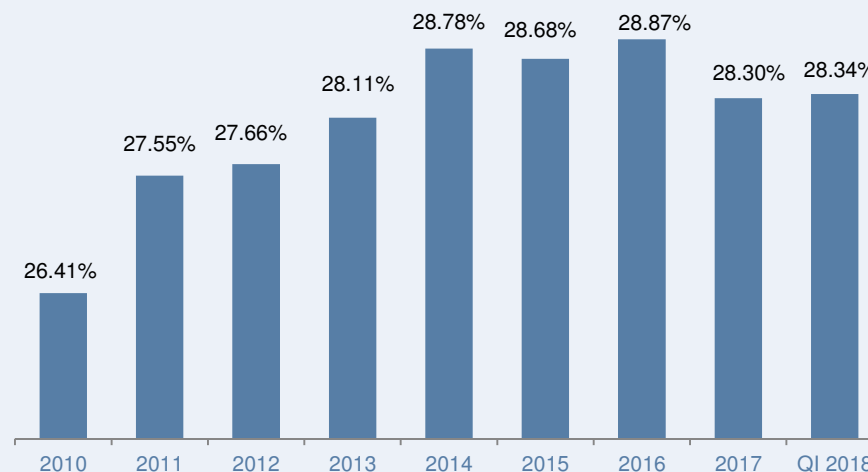
**Total Deposits by Currency 2017**



**Growth of Total Net Lending (\$M)**  
[6.54% YoY]



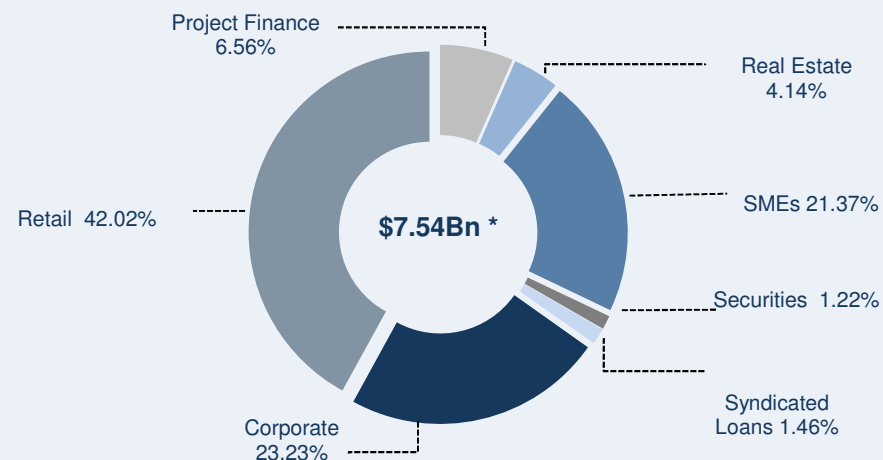
**Loans to Deposits Ratio**



**Breakdown of Lending by Countries**

(\$M)	QI 2018	% Total	YoY	2017	2016	2015	2014
Lebanon	5,392	71.17	3.08	5,432	5,277	5,165	5,054
Egypt	696	9.18	42.33	645	470	721	582
Jordan	533	7.04	6.6	523	512	507	456
UAE	437	5.77	16.53	434	359	294	287
Qatar	93	1.23	(4.12)	96	91	86	93
Iraq	8	0.11	(20)	8	10	12	1
Europe	417	5.50	1.96	400	444	411	417

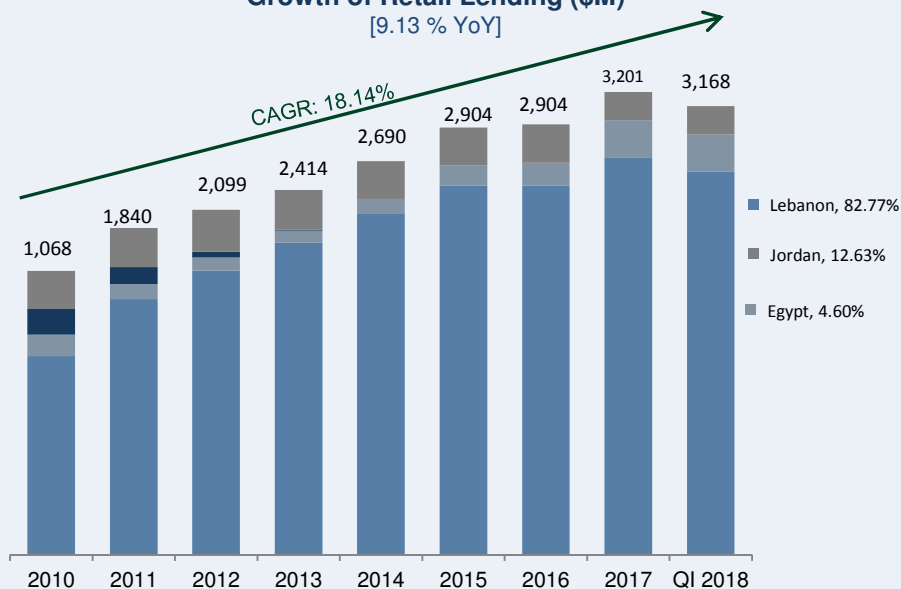
**Breakdown of Lending by Sector \***



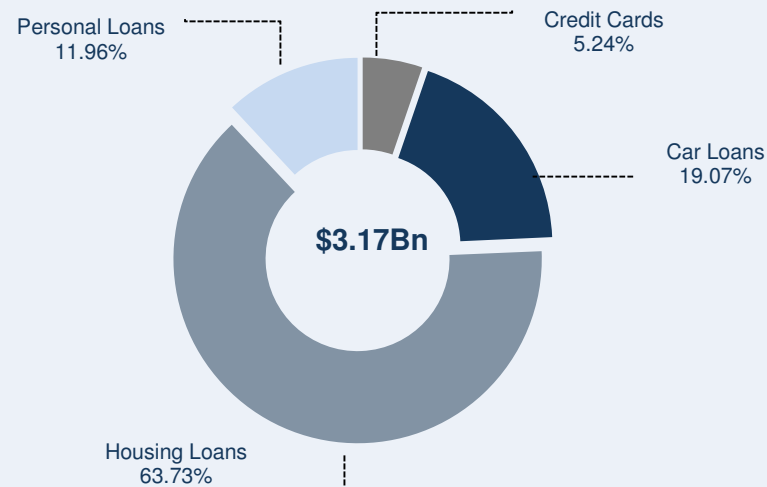
\* Excluding related parties loans & insurance receivables

## Growth of Retail Lending (\$M)

[9.13 % YoY]



## Retail Loans Distribution by Product



## Breakdown of Retail Loans by Product

(\$M)	Car Loans	% Total	YoY (%)	Housing Loans	% Total	YoY(%)	Personal Loans	% Total	YoY(%)	Credit Cards	% Total	YoY(%)
Lebanon	319	52.8	(0.62)	1,865	93.8	10.88	266	70.2	7.69	142	85.5	9.23
Egypt	65	10.8	32.65	18	0.9	80.00	61	16.1	17.31	2	1.2	0
Jordan	220	36.4	9.45	106	5.3	(15.20)	52	13.7	(1.89)	22	13.3	450

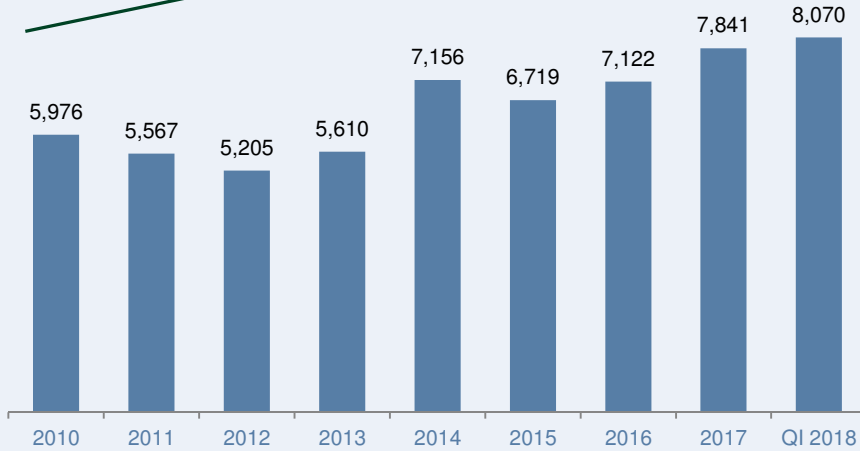
# Business Segments

Q1 2018

### Custody Business (AUMs \$M)

[7.19% YoY]

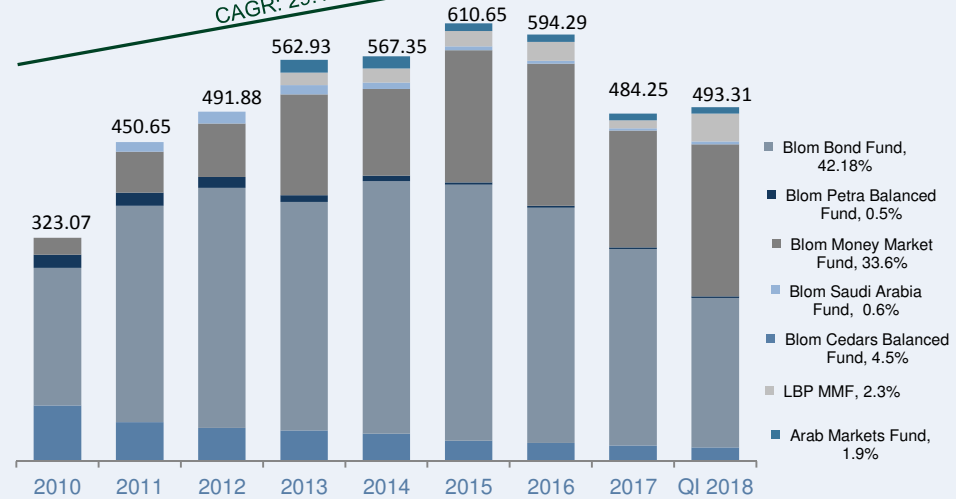
CAGR: 3.96%



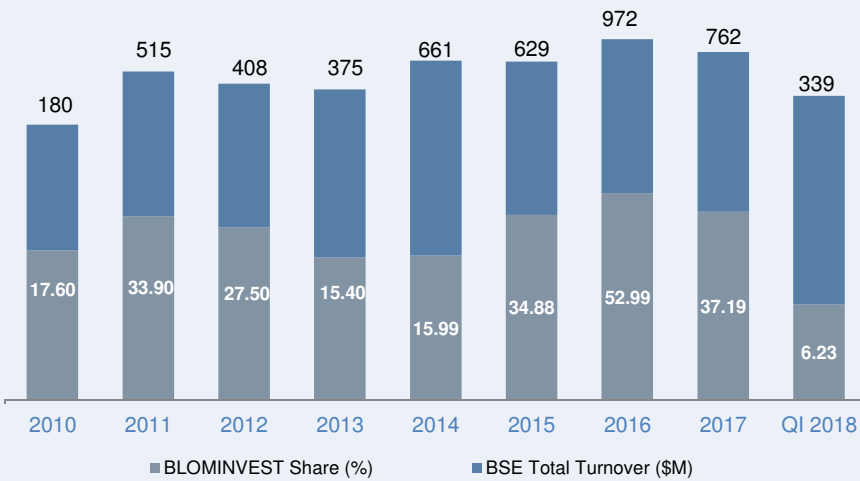
### Asset Management Business (\$M)

[(23.41%) YoY]

CAGR: 29.17%

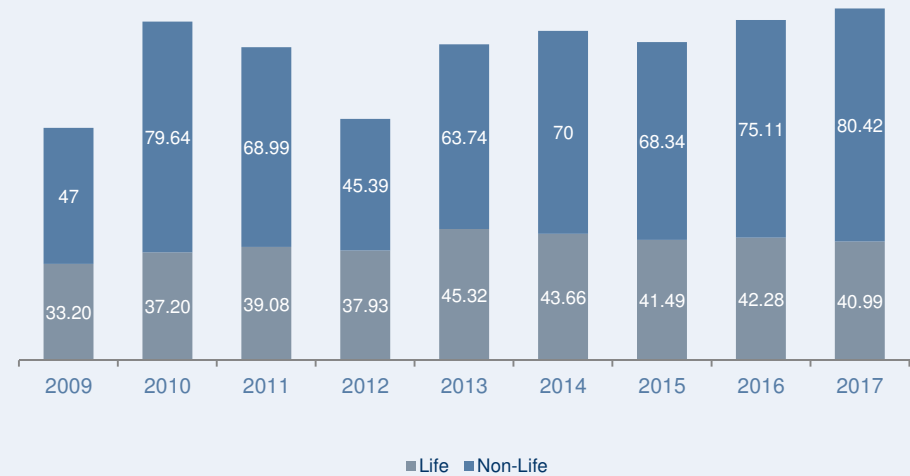


### Beirut Stock Exchange Brokerage Share (\$M)



### Insurance Business - Premium (\$M)

[(4.99%) YoY]



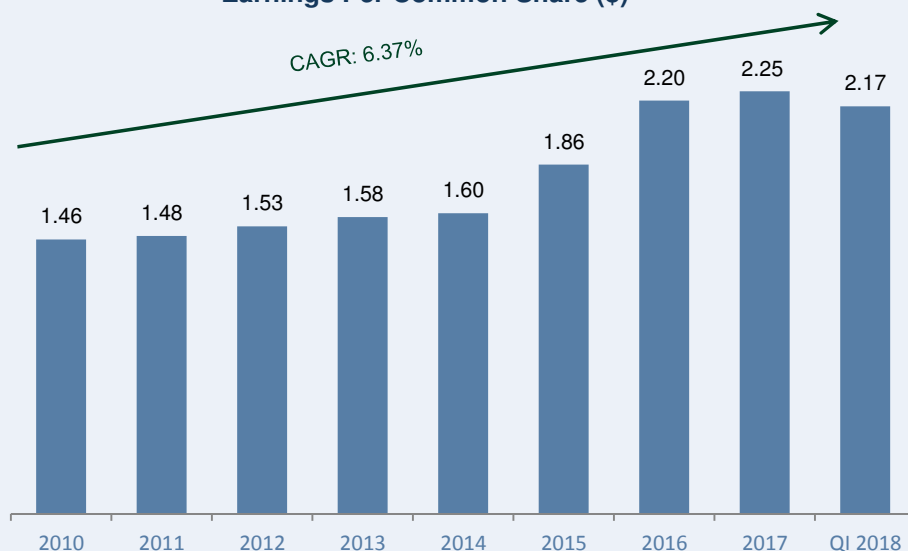
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# BLOM BANK Share Performance

Q1 2018

## Earnings Per Common Share (\$) \*

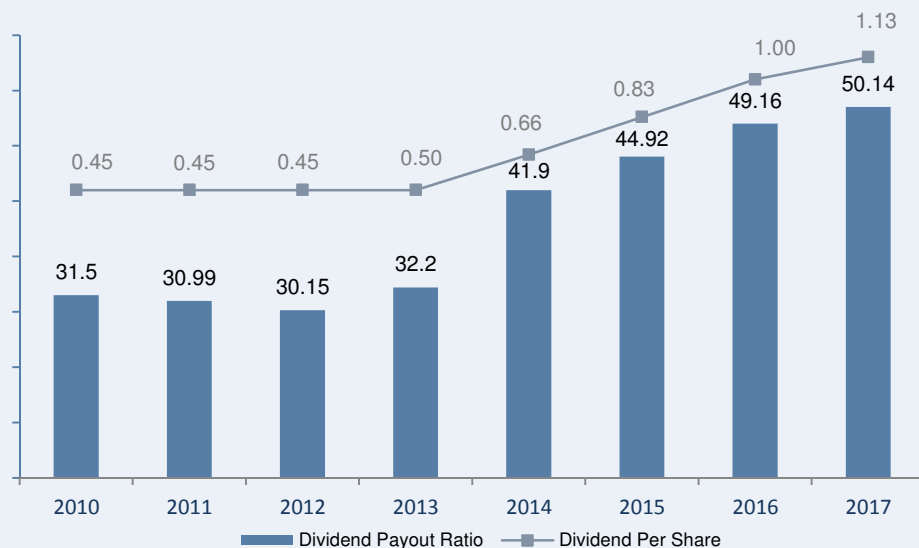


\* Annualized

## Analyst Coverage

Institution	Recommendation	Target Price (\$)	Date
EFG-Hermes	Buy	14.70	May 2018
Arqaam Capital	Buy	19.90	May 2018
HSBC	Hold	13.10	Apr 2018
FFA Private Bank	Overweight	13.00	Feb 2018
Deutsche Bank	Buy	12.25	Aug 2015

## Dividends Pay-Out(%) & Dividends per Common Share(\$)



## BLOM GDR Trading on Beirut & London Stock Exchanges (\$)\*

	IOB	BSE	Total	Daily Average
2010	180,781,087	74,578,727	255,359,814	1,063,999
2011	75,730,415	13,043,123	88,773,538	369,889
2012	132,425,915	31,296,393	163,722,308	682,176
2013	35,012,956	13,481,017	48,493,973	202,058
2014	90,556,591	20,714,978	111,271,569	463,631
2015	78,783,936	20,348,525	99,132,461	550,736
2016	90,786,621	91,096,800	181,883,421	757,848
2017	60,843,963	126,870,950	187,714,913	782,145
2018	19,179,604	5,697,589	24,877,193	414,620

\*BLOM BANK Executed a share split of 1/10 for a total of 215 M shares in October 2010



## Common Shares

215,000,000

### 1998

BLOM Bank had 18,500,000 Common shares in two categories:

- Category A:6,168,000
- Category B:12,332,000

Of which 4,389,601(23.72%) were listed as GDR at \$ 33 each.

### 2001 (July)

BLOM Bank consolidated the two categories into one.

### 2006 (February)

BLOM Bank increased its capital by \$276m through the issuance of 3,000,000 new Global Depository Shares at \$92 per share. The GDS were listed on the Luxembourg and Beirut Stock Exchanges.

### 2006 (August)

BLOM Bank listed 7,166,667 common(one third of all common shares) on the BSE.

### 2008 (June)

BLOM Bank listed all its shares on the Beirut Stock Exchange (BSE).

### 2010 (October)

BLOM Bank executed a share split of 1/10 for a total of 215M shares.

### 2017 (June)

BLOM Bank increased its capital by \$42.786M through the incorporation of an additional amount from the reserves account, resulting in a nominal value of LBP 1,500 per common share.

## GDR

73,896,010  
(34.37% of Total Common)

### 1998

BLOM Bank issued 4,389,601 Global Depository Receipts worth \$144.9m.The issue was a secondary issue(No increase in Capital) at \$ 33 each.

### 2006 (February)

BLOM Bank increased its capital by \$276m through the issuance of 3,000,000 new Global depository Shares at \$92 per share. The GDS were listed on the Luxembourg and Beirut Stock Exchanges. The total number of GDR's was increased to 7,389,601(34.37%)

### 2010 (October)

BLOM Bank executed a share split of 1/10 for a total of 73,896,010 GDRs.

## DR Program

DR Ticker: BLBD

- CUSIP:093688109
- DR ISIN: US0936881095
- Ratio: 1:1
- Depository: Bank of New York
- Effective Date: Jan 20,1998
- Underlying ISIN: lb0099221105
- Underlying SEDOL: 5400597
- Country: Lebanon
- Industry: Banks

## Preferred Shares

20,000,000

### 2002

BLOM Bank issued 750,000 unlisted preferred shares(Class 2002),Coupon:10%-15%

### 2004

BLOM Bank issued 750,000 unlisted preferred shares(Class 2004),Coupon:8.5%

### 2005

BLOM Bank issued 1,000,000 unlisted preferred shares(Class 2005),Coupon:8.5%-9.5%

### 2006 (August)

BLOM Bank lists all preferred shares on the BSE

### 2008 (June)

BLOM Bank redeemed all preferred shares class 2002, totaling 750,000 shares to reduce the total preferred shares to 1,750,000

### 2011 (June)

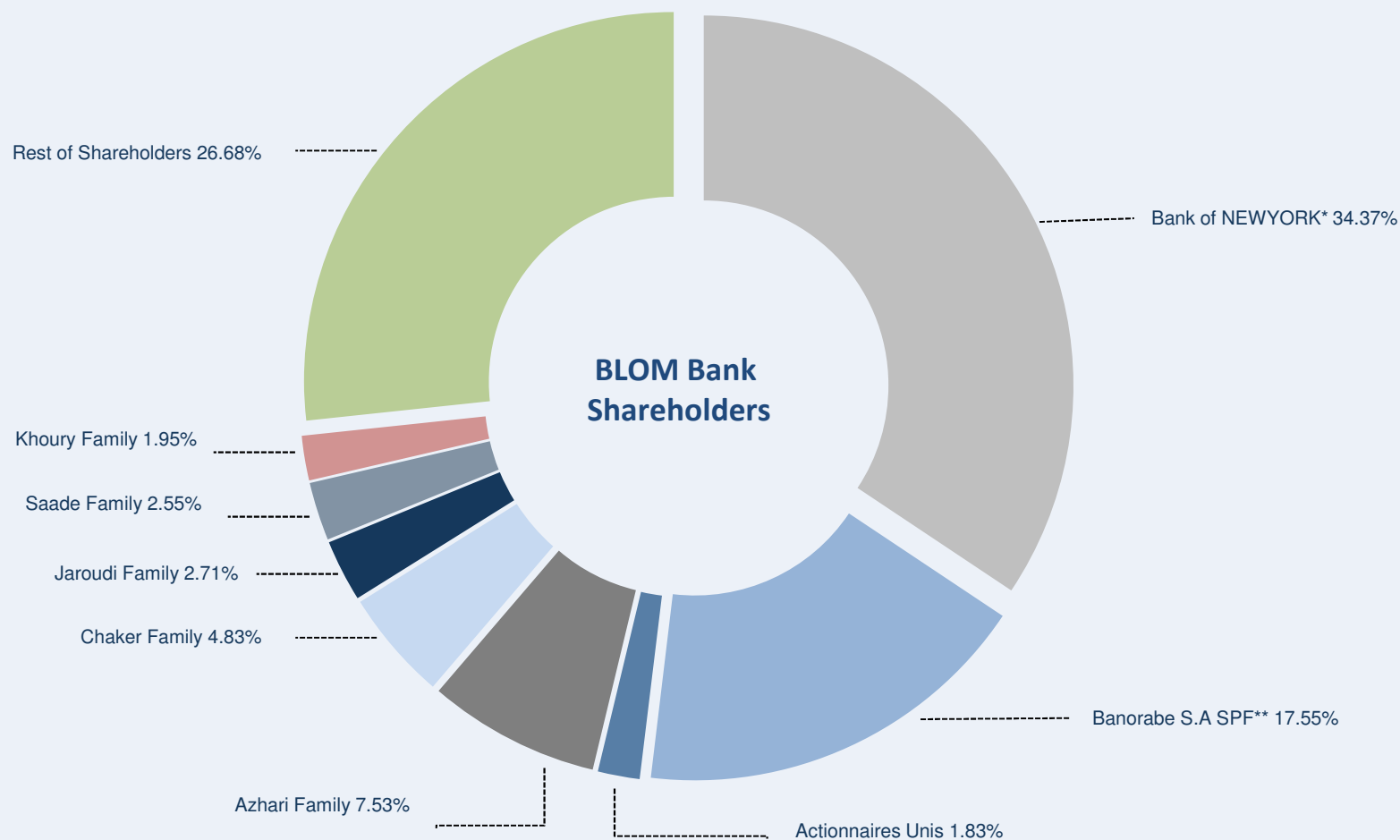
BLOM Bank redeemed its Preferred shares Classes 2004 and 2005.

### 2011(July)

BLOM Bank issued 20 million non-cumulative perpetual redeemable preferred shares (Class 2011), Coupon: 7%

### 2017(June)

BLOM Bank redeemed its 20 million preferred shares class 2011



- Starting 1998, and after the issuance of Global Depository Receipts (GDR) by BLOM Bank Shareholders, the Bank of New York as Depository, became shareholder on the Bank's register
- \*\* The major shareholders of Banorabe S.A. SPF (formerly Banorabe Holding S.A.) are the same as in BLOM Bank (except Bank of New York)

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