



## Investor Presentation QIII 2017

# 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 \$462.8M in 2016

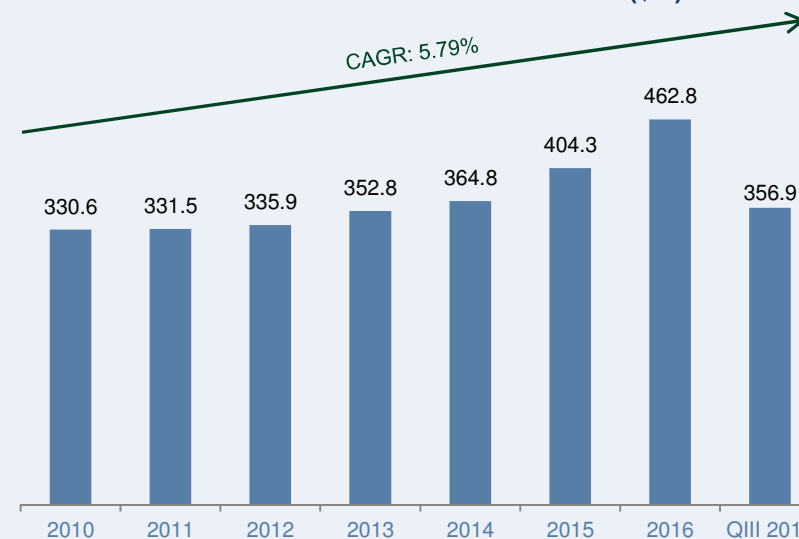
Offers complete range of universal banking services

Highest Credit Ratings: B2 (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

	QIII 2017	2016	
ROAA	1.55%	1.58%	
ROAE	16.93%	17.09%	
EPS (annualized)	\$2.21	\$2.20	
No. of Employees	5,007	4,673	
Overall Liquidity	FC	57.60%	51.84%
	LBP	79.38%	80.08%
No. of Branches *	Lebanon	88	88
	Foreign	134	131

\* Includes 56 Insurance points of sale

1. Overview

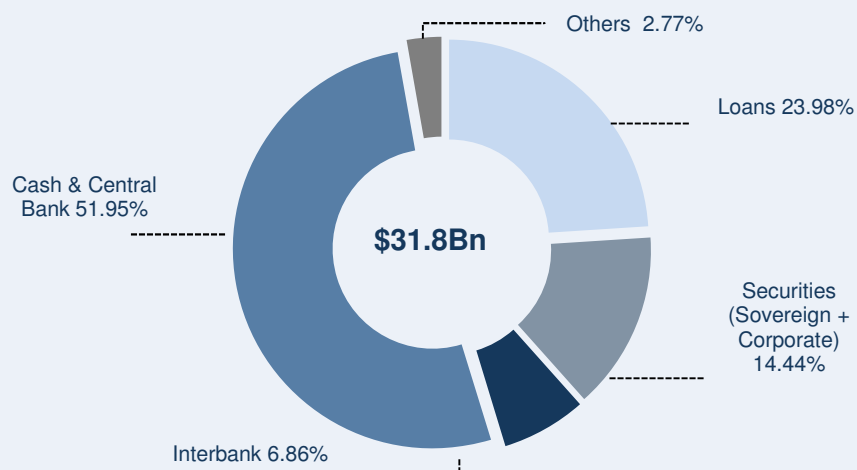
**2. Financial Information**

3. Business Information

4. Share Information



**Breakdown of Total Assets**  
 [\$31.8Bn; 5.54% YoY; 2010-2016 CAGR 4.76%]



**Breakdown of Assets by Country**

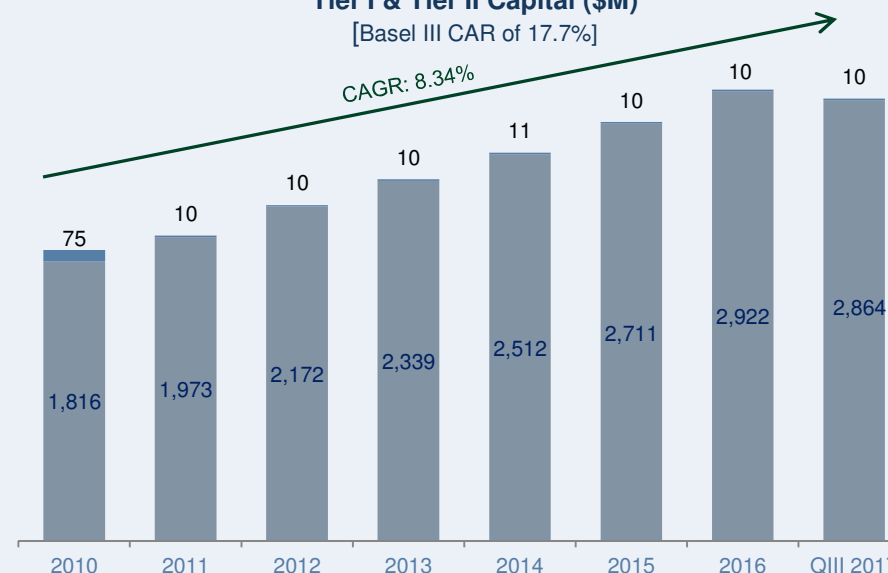
(\$M)	QIII 2017	% Total	YoY	2016	2015	2014	2013
Lebanon	26,000	81.76	11.29	23,999	22,402	21,612	20,288
Egypt	1,915	6.03	(27.52)	1,519	2,527	2,093	1,705
Jordan	1,035	3.25	(7.51)	1,082	1,106	1,102	1,003
UAE	923	2.90	16.98	829	729	727	732
Syria *	0	0	NA	0	271	374	442
KSA	92	0.29	(10.68)	105	109	100	78
Qatar	97	0.31	1.04	94	89	120	179
Iraq	68	0.21	0	76	55	27	NA
Europe	1,670	5.25	(2.05)	1,813	1,811	1,820	1,722

**Shareholder's Equity by Country** [\$2.87Bn; 2.02% YoY]

(\$M)	QIII 2017	% Total	YoY	2016	2015	2014	2013
Lebanon	2,023	70.39	7.21	2,164	1,821	1,662	1,554
Egypt	165	5.74	(34.78)	116	241	217	187
Jordan	131	4.56	4.80	128	122	113	101
UAE	126	4.38	1.61	129	128	124	123
KSA	84	2.92	6.33	83	77	71	38
Syria *	0	0	NA	0	47	48	50
Qatar	41	1.43	5.13	40	39	36	41
Iraq	24	0.84	118.18	29	5	12	NA
Europe	280	9.74	11.11	243	241	240	255

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

[Basel III CAR of 17.7%]



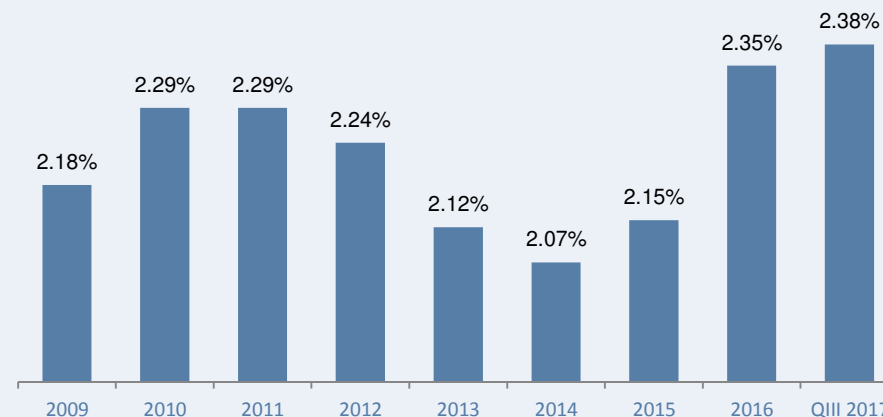
## Net Income by Country

[Net Income \$356.93M; 3.74% YoY; 2010-2016 CAGR 5.79%]

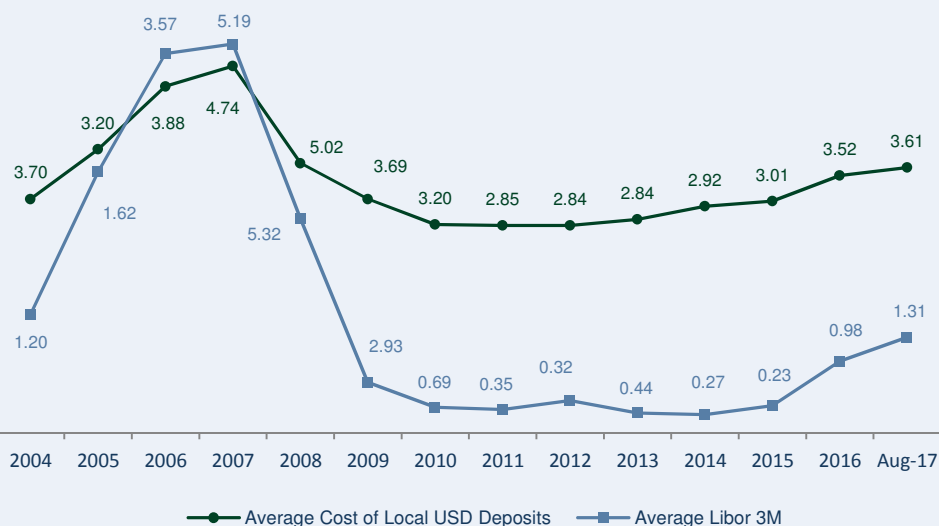
(\$M)	QIII 2017	% Total	YoY	2016	2015	2014	2013
Lebanon	299.76	83.98	16.13	360.39	298.33	286.50	291.14
Egypt	28.76	8.06	(27.81)	53.23	43.34	33.14	20.92
Syria *	NA	NA	NA	NA	24.08	13.03	1.93
Jordan	9.76	2.73	(19.74)	15.17	17.79	16.46	11.67
UAE	6.99	1.96	11.13	10.76	7.41	6.68	4.99
KSA	1.25	0.35	(37.81)	6.34	7.22	6.81	10.28
Qatar	1.07	0.30	50.70	1.17	2.42	(4.77)	1.28
Iraq	(0.67)	(0.19)	57.05	4.03	(9.27)	(2.39)	NA
Europe	10.01	2.80	15.32	11.74	12.94	9.32	10.23

## Net Interest Margin

[Net Interest Income \$546.92M; 7.94% YoY; 2010-2015 CAGR 5.69%]



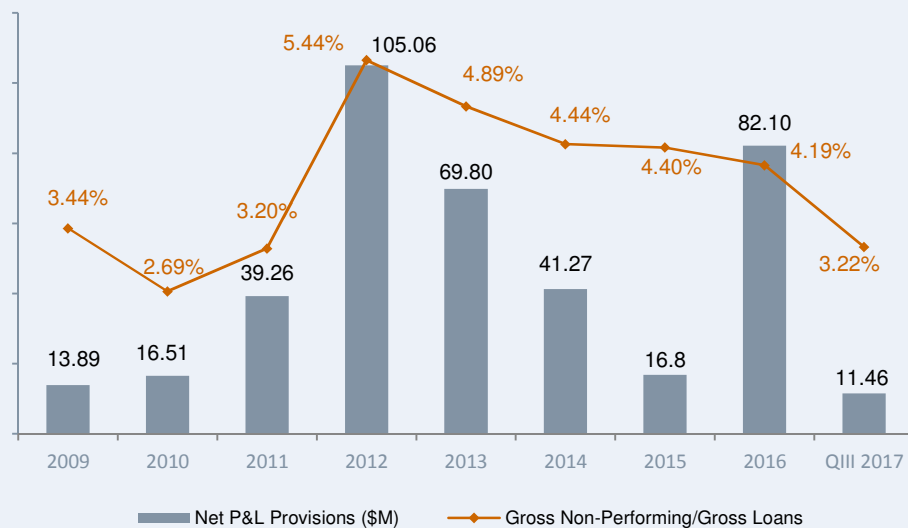
## USD Interbank & Deposits (%)



## Net Interest Margin by Country (%)

(\$M)	QIII 2017	QIII 2016	2016	2015	2014	2013
Lebanon	2.30	2.16	2.19	2.07	2.01	2.10
Egypt	3.79	3.96	4.16	3.72	3.60	3.78
Syria *	NA	0.92	NA	1.10	0.89	1.18
Jordan	3.29	3.47	3.46	3.40	3.08	2.78
UAE	2.19	2.05	2.08	1.76	1.84	1.74
KSA	0.24	0.50	0.62	0.22	0.43	0.83
Qatar	3.47	3.40	3.43	3.31	1.45	2.35
Iraq	1.06	1.26	1.29	1.00	(0.05)	0.00
Europe	1.50	1.38	1.39	0.86	1.08	1.03

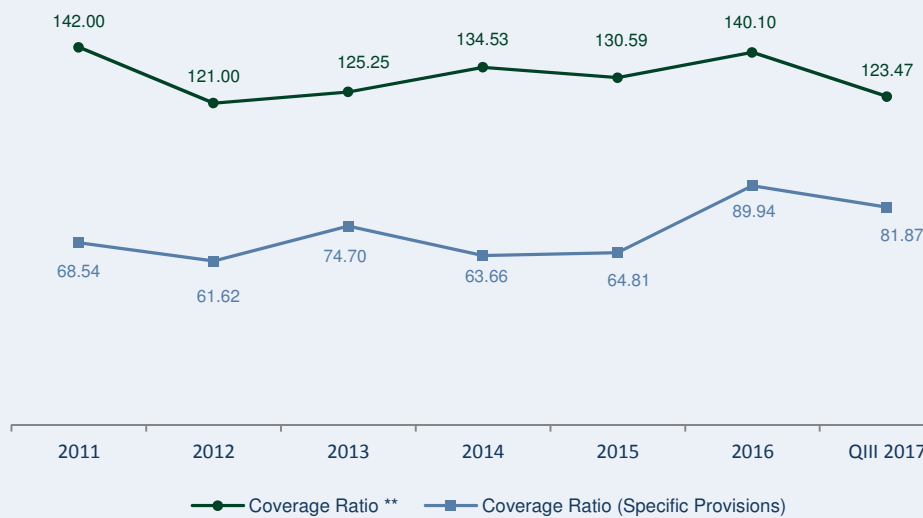
### Net P&L Provisions [(67.44%) YoY] ; NPLs



### Asset Quality ; Coverage Ratio \*\*

(%)	QIII 2017	Coverage	2016	2015	2014	2013
Lebanon	2.88	131.83	4.28	4.13	4.29	3.14
Egypt	1.33	47.15	0.62	1.44	1.98	11.25
Syria *	-	-	0.00	26.09	37.09	38.87
Jordan	4.84	116.88	4.21	3.33	3.24	4.83
UAE	1.75	168.90	1.78	10.33	1.95	3.96
KSA	-	-	-	-	-	-
Qatar	5.78	165.05	5.79	6.16	5.71	0.00
Iraq	0.00	-	15.47	0.00	0.00	-
Europe	9.29	93.42	7.92	8.27	7.89	10.78

### Coverage Ratios (%)

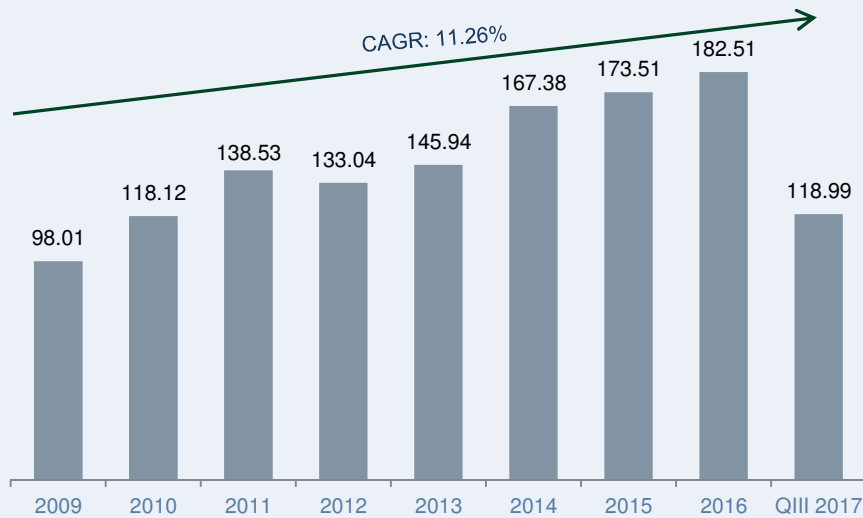


### Balance sheet Provisions (\$M)



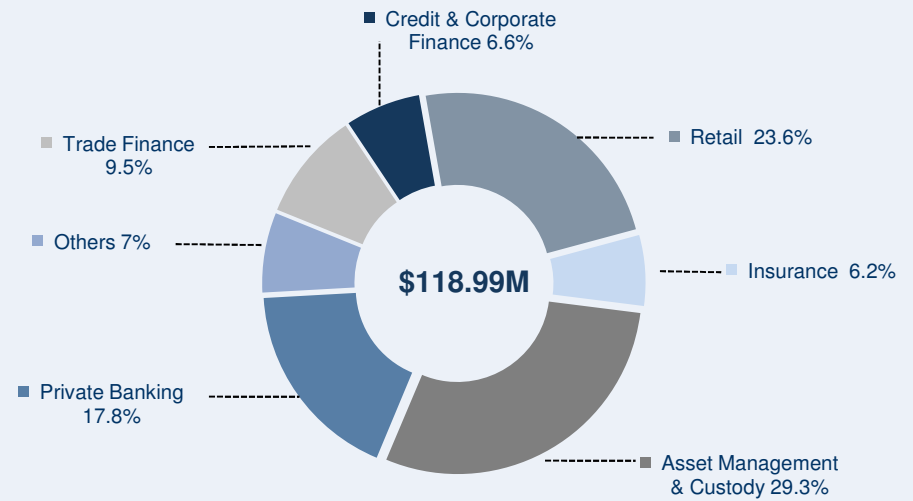
## Fee Income (\$M)\*

[(14.36%) YoY; Ratio of Fee Income to Operating Income 2016 18.73%]

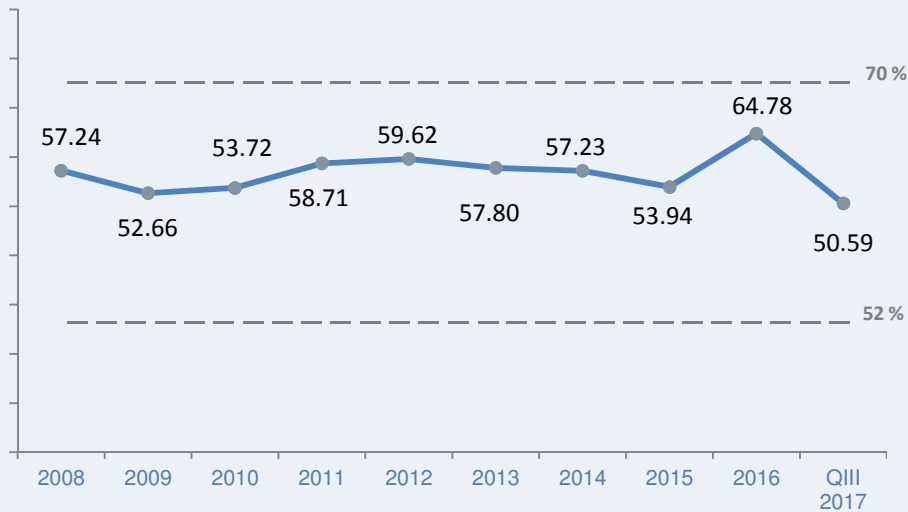


\*Includes Net Commissions & Fee income, Foreign Exchange Gain & Dividends

## Fee Income Breakdown by Type

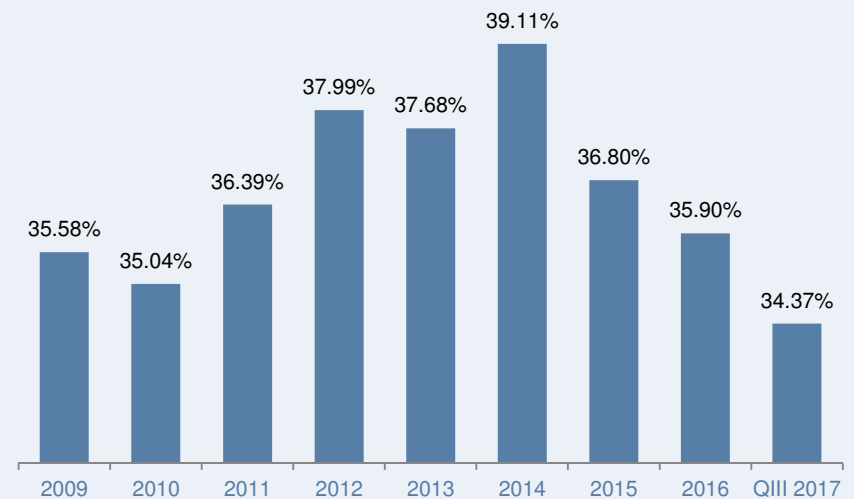


## Efficiency Ratio \*



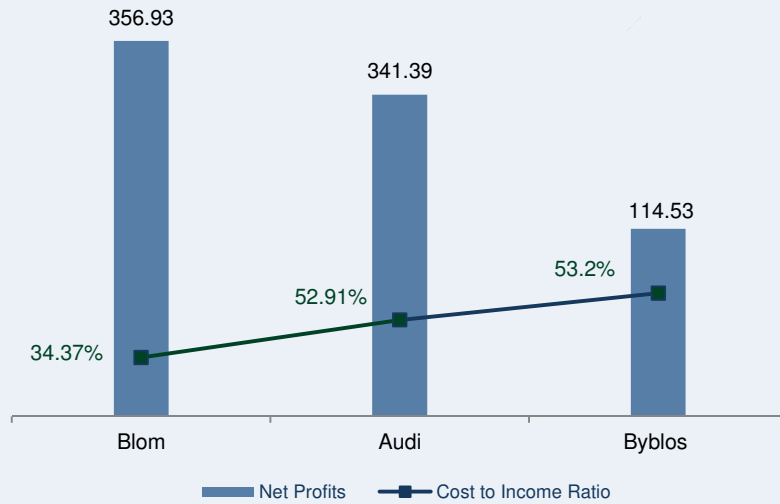
\* Non-Interest Expenses / Total Revenue

## Cost-to-Income

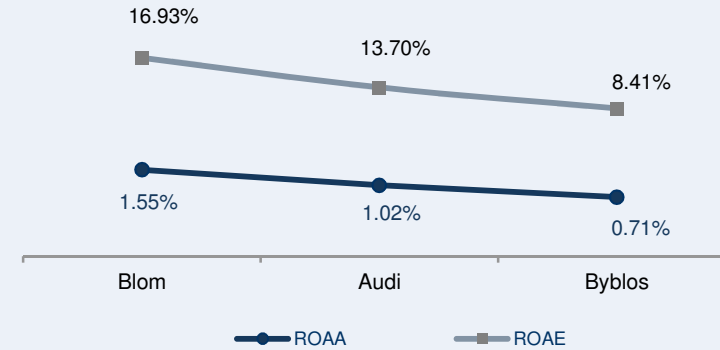




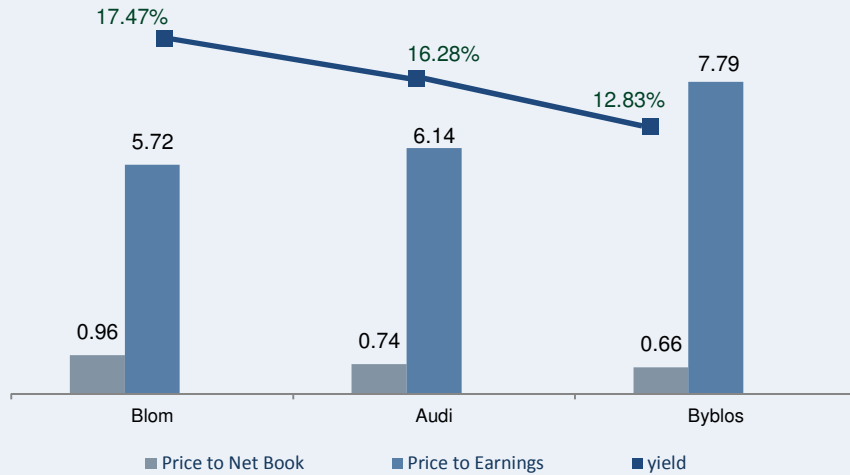
### Net Income (\$M)



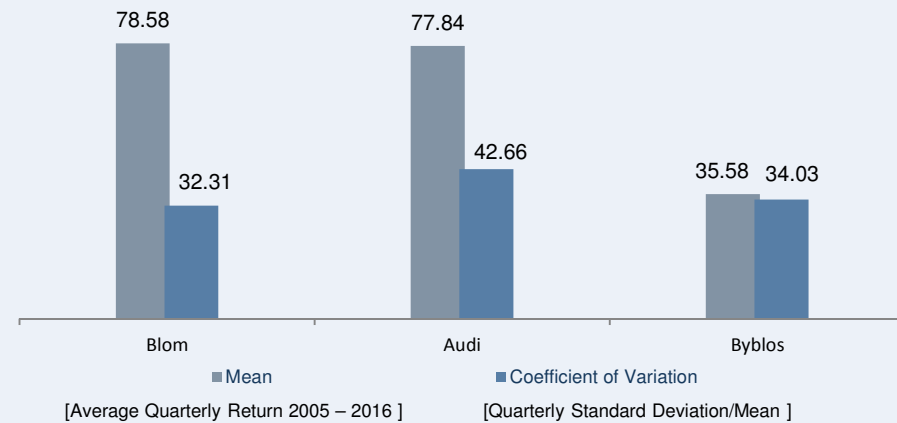
### ROA ; ROE (Common)



### Financial Ratios



### Volatility of Return

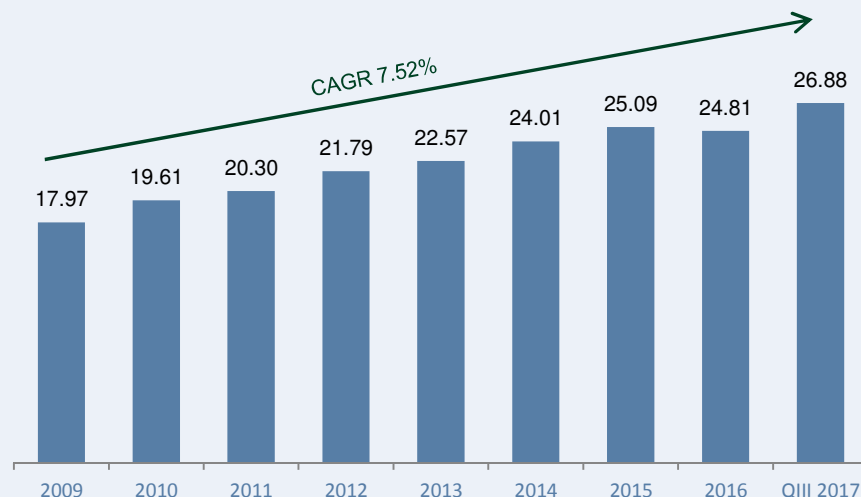


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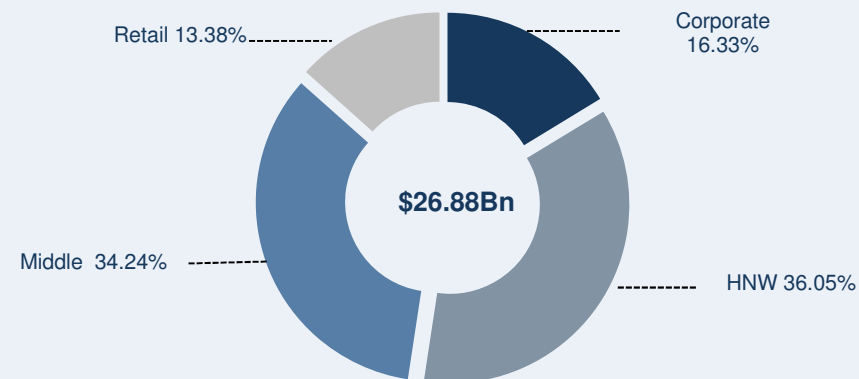


## Total Deposits (\$Bn)

[4.84 % YoY]



## Total Deposits by Holder \*\*

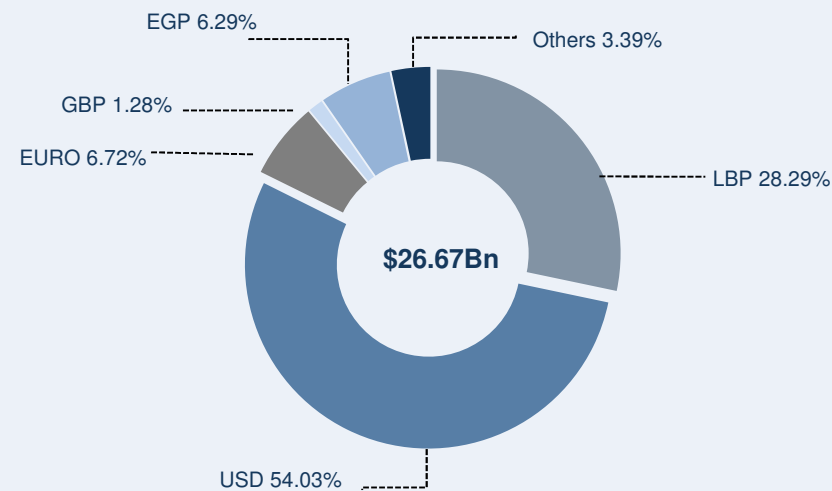


\*\* Retail < \$100k ; Middle \$100K - \$1M ; HNW >\$1M

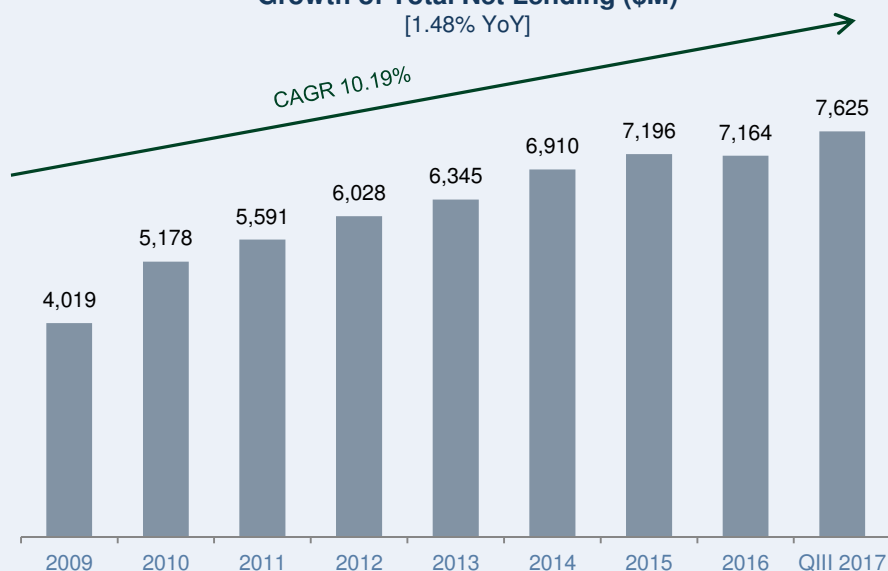
## Deposits Breakdown by Country

(\$M)	QIII 2017	% Total	YoY	2016	2015	2014	2013
Lebanon	22,468	83.57	10.51	20,597	19,868	19,047	18,052
Egypt	1,671	6.22	(26.58)	1,327	2,160	1,776	1,415
Jordan	837	3.11	(9.51)	875	921	905	813
UAE	695	2.59	16.81	637	554	526	510
Syria *	0	0	NA	0	254	362	435
Iraq	38	0.14	(9.52)	39	33	7	NA
Qatar	11	0.04	37.50	7	6	40	87
Europe	1,164	4.33	(6.51)	1,329	1,295	1,343	1,260

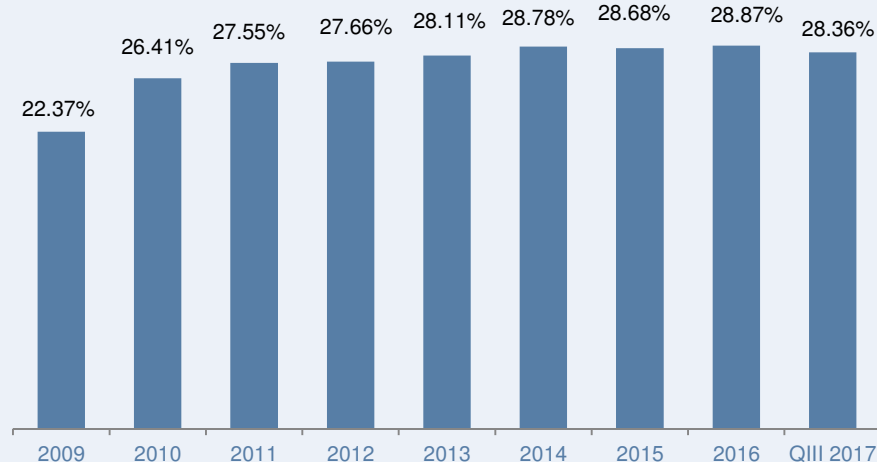
## Total Deposits by Currency HI 2017



**Growth of Total Net Lending (\$M)**  
[1.48% YoY]



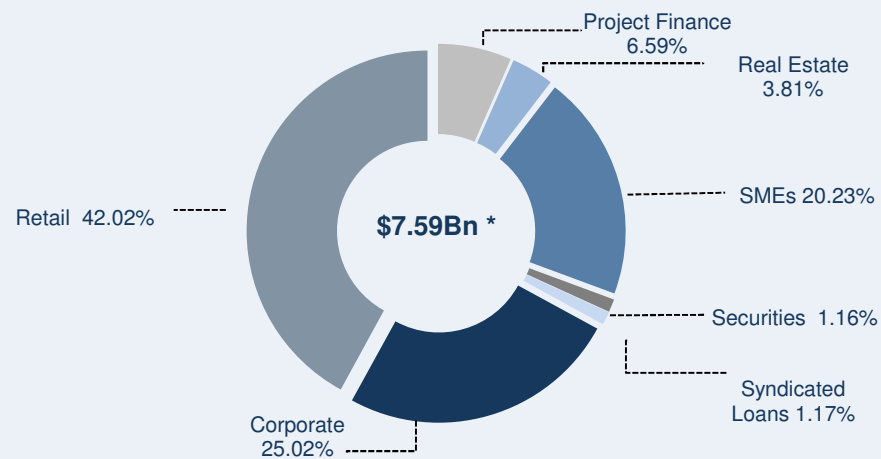
**Loans to Deposits Ratio**



**Breakdown of Lending by Countries**

(\$M)	QIII 2017	% Total	YoY	2016	2015	2014	2013
Lebanon	5,626	73.78	5.61	5,277	5,165	5,054	4,618
Egypt	590	7.74	(27.43)	470	721	582	465
Jordan	505	6.62	(3.07)	512	507	456	438
UAE	405	5.31	20.53	359	294	287	248
Qatar	93	1.22	5.68	91	86	93	139
Iraq	9	0.12	(18.18)	10	12	1	NA
Syria *	0	0	0	0	0	20	51
Europe	397	5.21	(5.02)	444	411	417	386

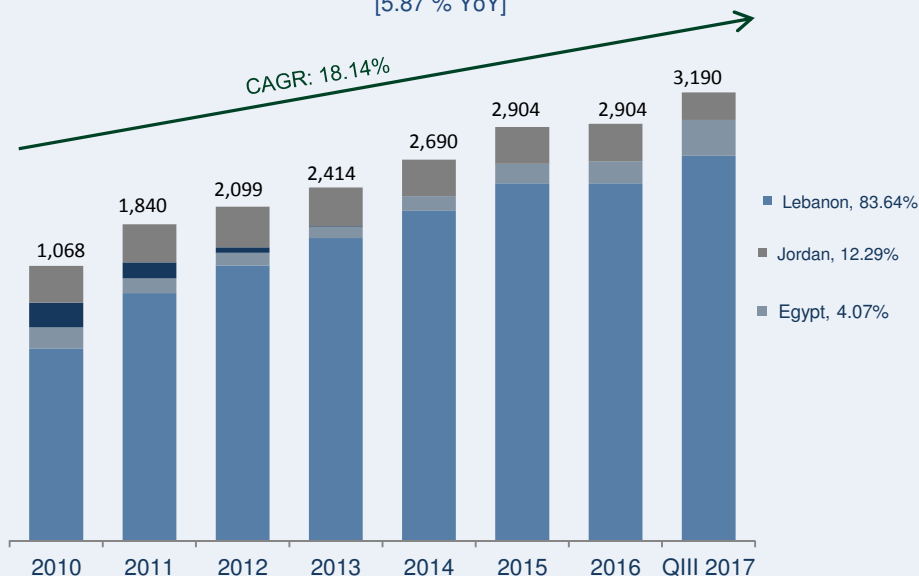
**Breakdown of Lending by Sector \*\***



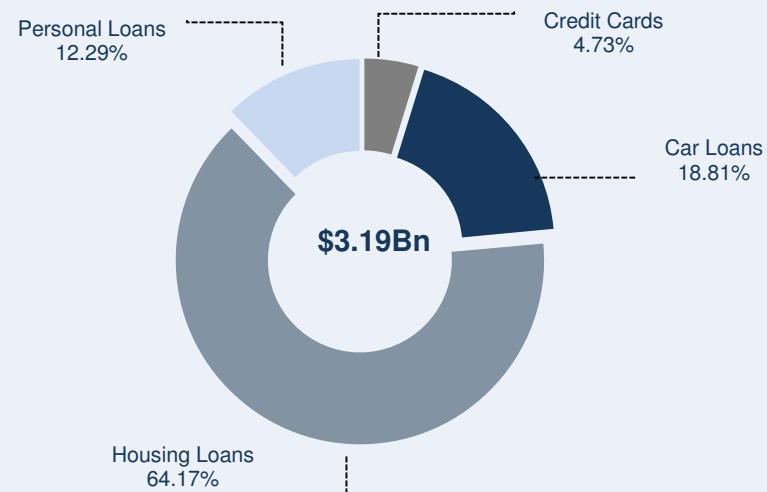
\*\* Excluding related parties loans & insurance receivables

### Growth of Retail Lending (\$M)

[5.87 % YoY]



### Retail Loans Distribution by Product



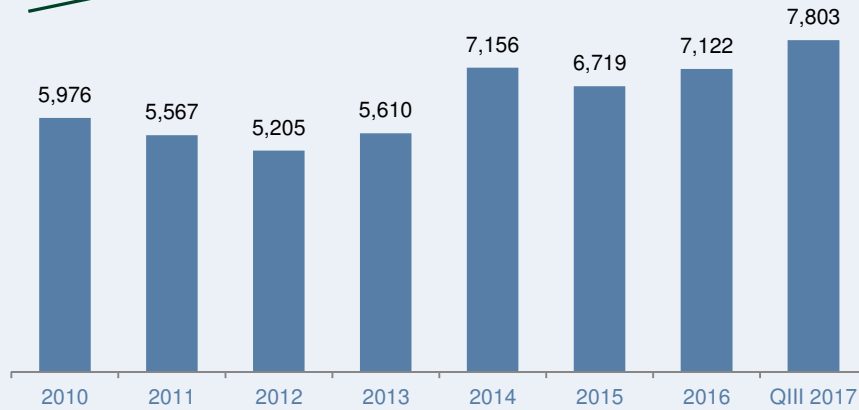
### Breakdown of Retail Loans by Product

(\$M)	Car Loans	% Total	YoY (%)	Housing Loans	% Total	YoY(%)	Personal Loans	% Total	YoY(%)	Credit Cards	% Total	YoY(%)
Lebanon	328	54.67	0.61	1,911	93.4	14.50	284	72.4	10.94	145	96	9.85
Egypt	56	9.3	(48.15)	14	0.7	(6.67)	58	14.8	(42)	2	1.3	(50)
Jordan	216	36	(1.82)	122	6	(7.58)	50	12.8	4.17	4	2.6	0

## Custody Business (AUMs \$M)

[6.98% YoY]

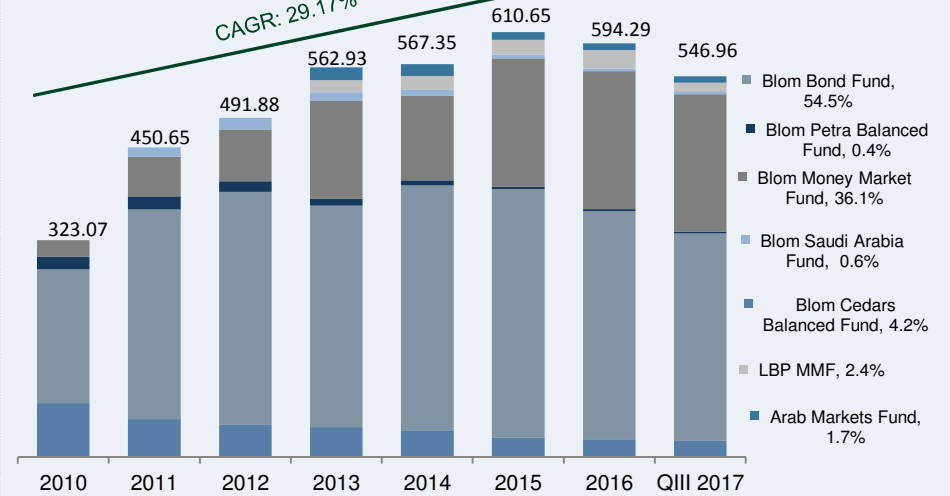
CAGR: 2.97%



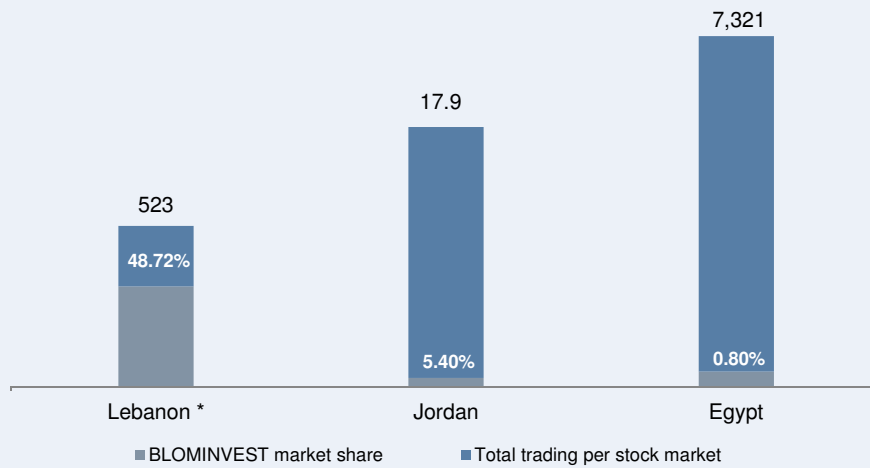
## Asset Management Business (\$M)

[(9.43%) YoY]

CAGR: 29.17%

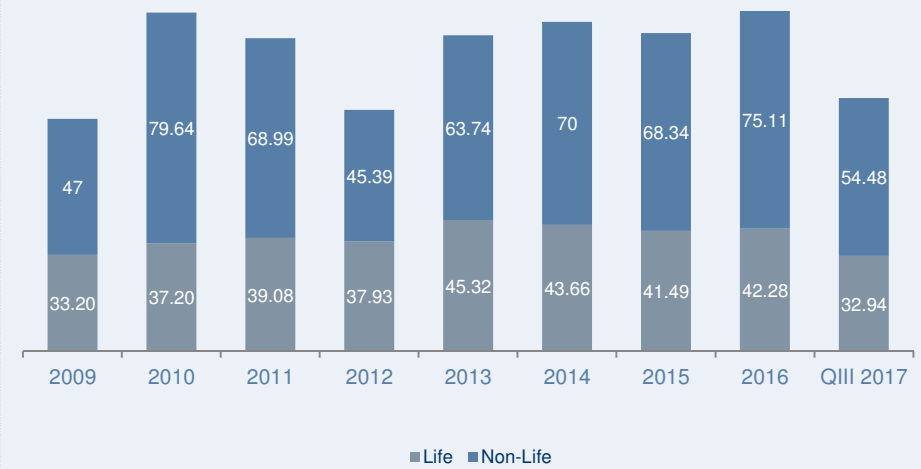


## Brokerage Activity 2017 US (\$M)



## Insurance Business - Premium (\$M)

[(4.99%) YoY]



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# BLOM BANK Share Performance

QIII 2017

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

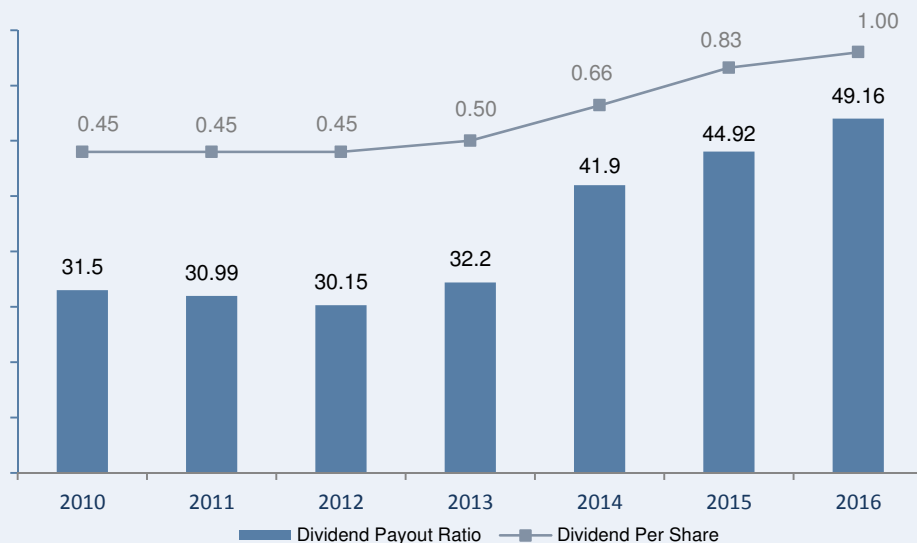


\* Annualized

## Analyst Coverage

Institution	Recommendation	Target Price (\$)	Date
Arqaam Capital	Buy	16.40	Nov 2017
EFG-Hermes	Buy	14.7	Nov 2017
HSBC	Hold	11.6	Oct 2017
FFA Private Bank	Overweight	13.00	Oct 2017
EVA Dimensions	Hold	NA	Jun 2016
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
QIII 2017	47,112,785	113,976,015	161,088,800	894,938

\*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)

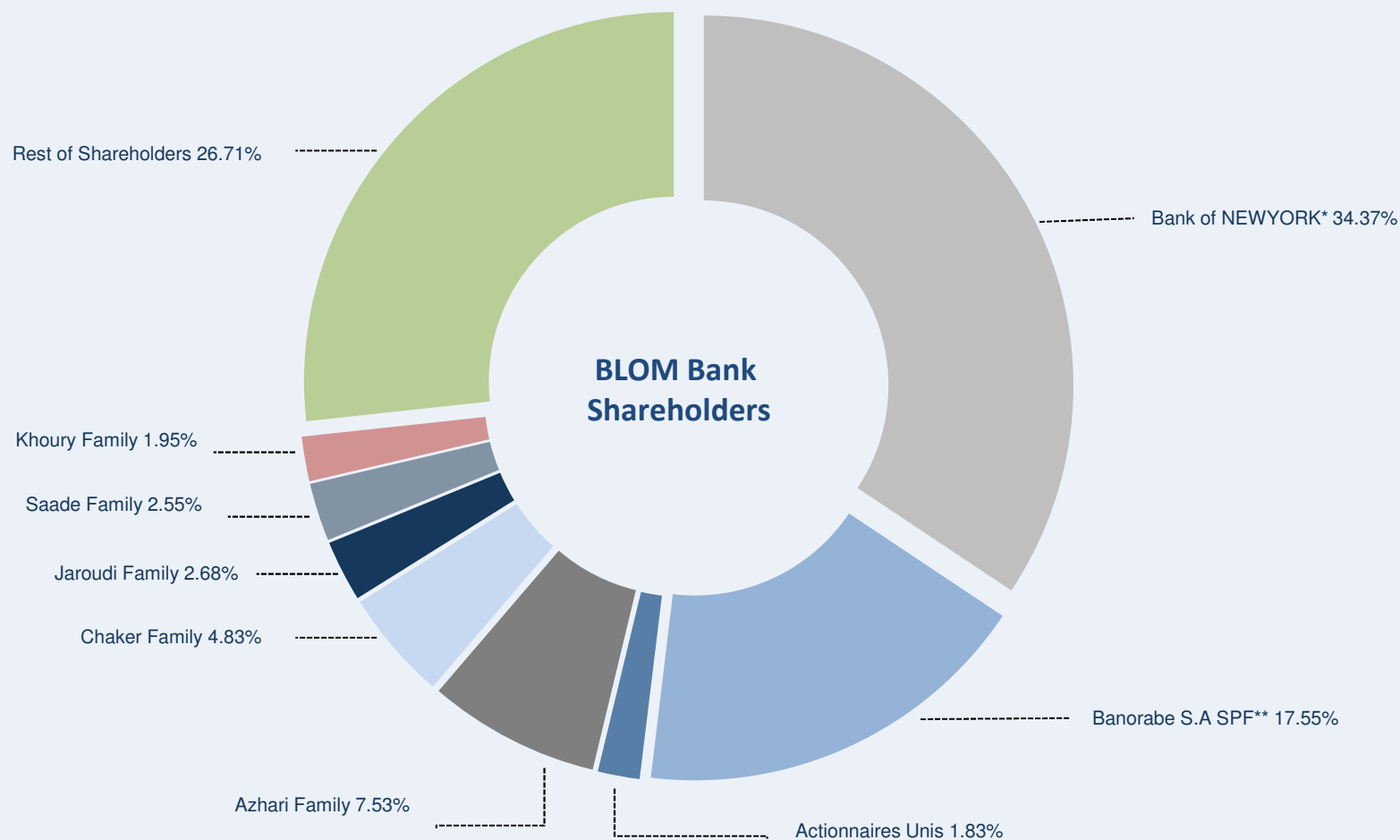
BLOM Bank redeemed its Preferred shares Classes 2004 and 2005.

### 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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