

## Byblos Bank Announces Financial Results For First Half Of 2019

USD Million	H1 2018	H1 2019
Net Profit	67	60
Total Assets	23,759	25,652
Customer Deposits	18,327	18,458
Net Advances to Customers	5,497	5,132
Total Equity	2,107	2,154
Net Interest Margin	1.42%	1.07%
Operating Expenses/Average Assets	1.03%	0.96%
Offshore Foreign Currency Liquidity/ FCY Customer Deposits	15.50%	15.57%
Provisioning Coverage Ratio of Doubtful Loans	87.56%	90.23%

**BEIRUT, 29 JULY 2019:** Amid a persistently challenging operating environment, Byblos Bank posted a net profit of USD 60 million in the first half of 2019, a drop of USD 7 million or 10.8% as compared to the same period of 2018. These results are explained by a sharp drop in the net interest margin that is characterized by a volatile market in Lebanon in the first 6 months of 2019; and by the Bank's continued commitment to a conservative risk management strategy confirmed by high liquidity ratios.

Byblos Bank holds available accounts and short-term placements with investment-grade international banks that represent 15.57% of foreign currency customer deposits, a ratio well above internal and international benchmarks. The Bank's Basel III solvency ratio at 18.4% compared to a regulatory ratio of 15% follows the same line.

The Bank kept containing its operating costs by implementing a series of measures aimed at optimizing productivity and reducing costs. The ratio of operating expenses to average assets improved to 0.96% at end-June 2019 from 1.03% at end-June 2018.

In a relatively difficult economic environment, Byblos Bank has effectively kept on managing its credit risk, which led to lower levels of loans to customers in the first half of 2019. The Bank continued to achieve a comfortable provision coverage ratio of doubtful loans equal to 90.23% and an acceptable (gross) non-performing loan ratio of 4.37%, a number that drops to 1.43% after netting related provisions and interests reserved.

Byblos Bank remains confident in the economic future of the country, and keen on preserving the interests of its depositors, shareholders and other stakeholders.

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