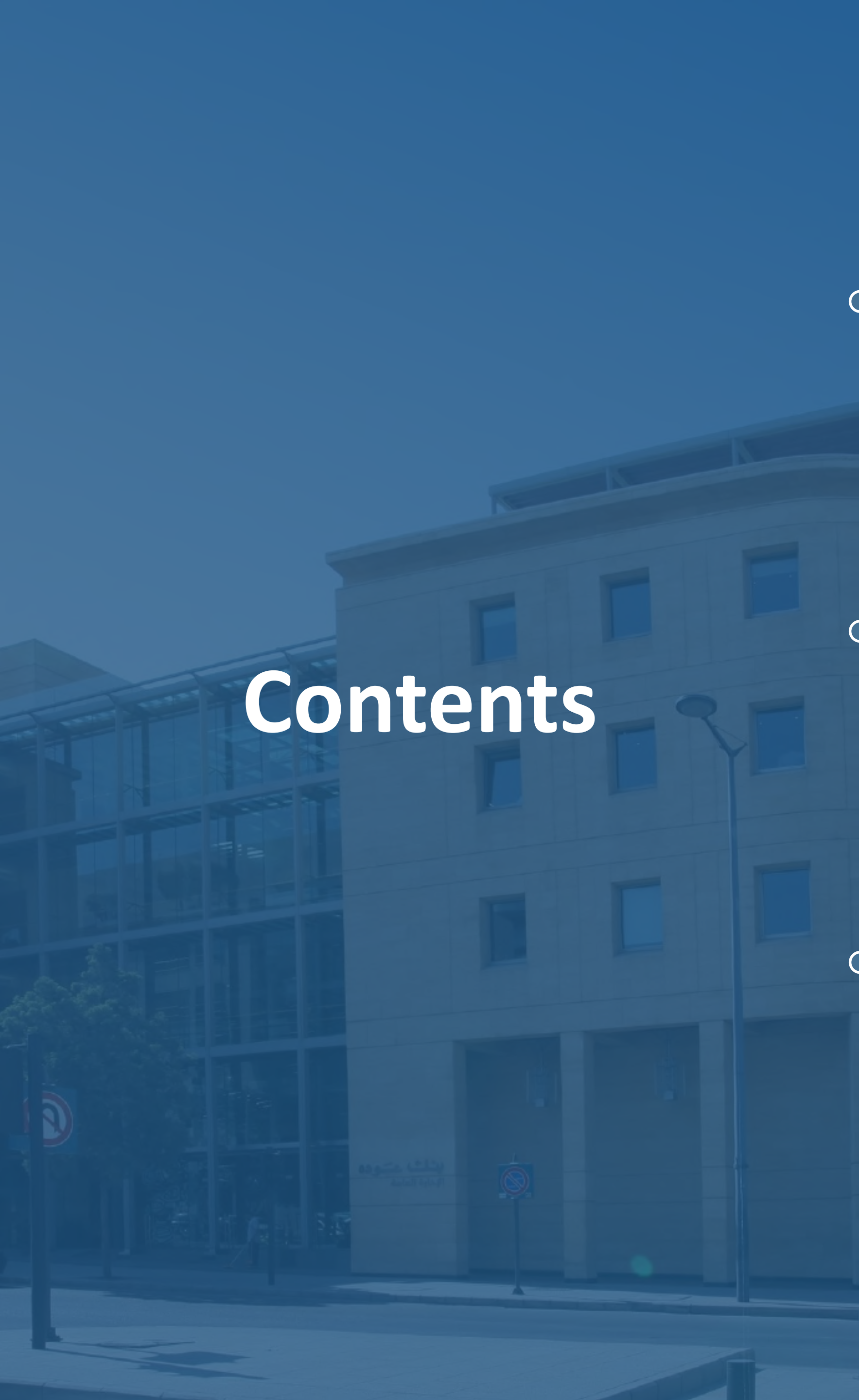
Bank Audi

INVESTOR'S PRESENTATION

June 2019

Based on unaudited management accounts

Bank Audi Group Head Office in Beirut – Lebanon



Contents

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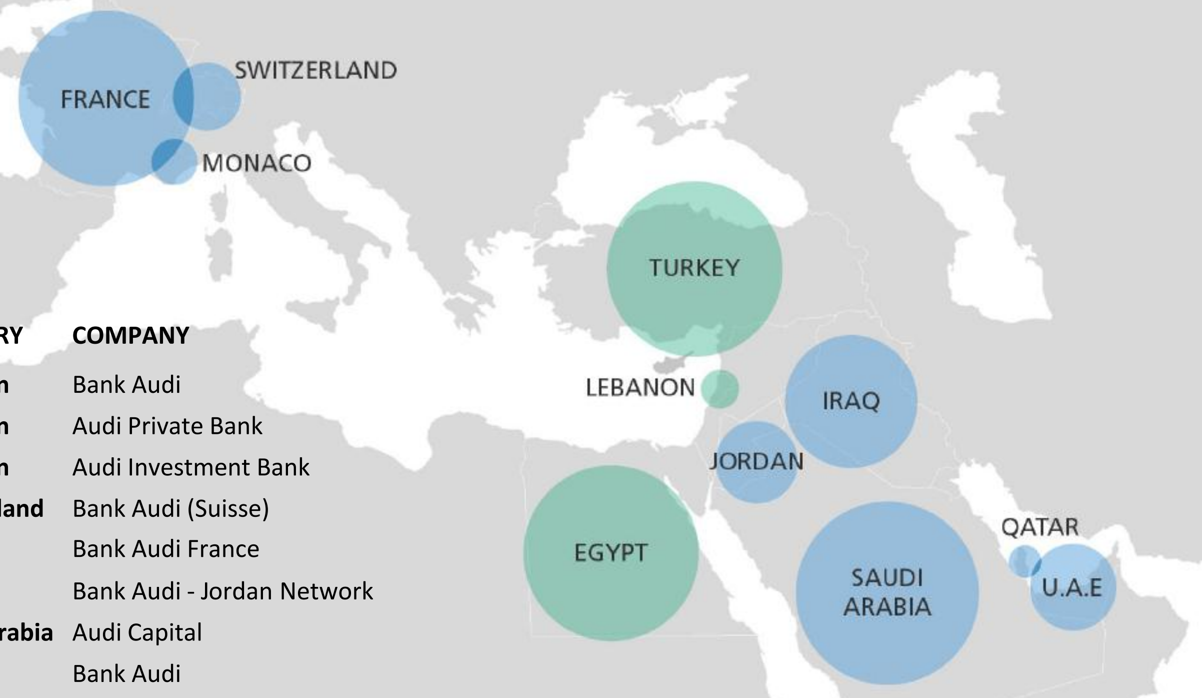
GROUP OVERVIEW

Bank Audi



	COUNTRY	COMPANY
1962	**Lebanon**	Bank Audi
1967	**Lebanon**	Audi Private Bank
1974	**Lebanon**	Audi Investment Bank
1975	**Switzerland**	Bank Audi (Suisse)
1979	**France**	Bank Audi France
2004	**Jordan**	Bank Audi - Jordan Network
2006	**Saudi Arabia**	Audi Capital
2006	**Egypt**	Bank Audi
2007	**UAE**	Bank Audi
2007	**Qatar**	Bank Audi
2010	**Monaco**	Audi Capital Gestion
2012	**Turkey**	Odea Bank
2016	**Iraq**	Bank Audi – Iraq Network

A Leading Banking Group from the MENA Region

RANKING BY ASSETS

- #1 in Lebanon
- #18 in MENA

CORPORATE VALUES

- Innovation
- Transparency
- Heritage
- Civic Role
- Human Capital
- Quality

Main Development Pillars

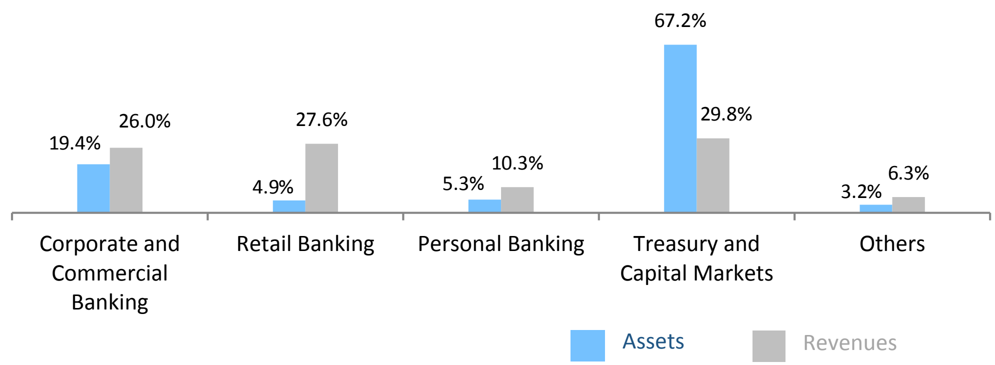
CORPORATE HIGHLIGHTS

- 189 years of banking tradition and experience
- Rated by Moody's, S&P and Fitch
- First GDR issue in the broad MENA region in 1995
- Wide and well diversified shareholders' base
- Accessed 17 times international markets through debt and equity issues
- 87% of university graduates staff of total staff
- Abiding by the Beirut and the London Stock exchanges regulations
- Applying high corporate governance, compliance and AML standards
- Implementing since 2013 a formalized ESMS management system

FINANCIAL HIGHLIGHTS

In US$ million	Jun-19	o.w. Share of Lebanon	o.w. Share of entities outside Lebanon
Assets	47,507	69.3%	30.7%
Customers' deposits	31,791	66.7%	33.3%
Loans to customers	12,115	44.8%	55.2%
AuMs & custody accounts	12,506	26.5%	73.5%
Shareholders' equity	3,810		
Net profits (HI-19)	250.4	70.3%	29.7%
Branches	203		
Staff	6,197		

Universal Banking Profile
Assets and Revenue Breakdown by Business Line (HI-19)



CORPORATE & SOCIAL RESPONSIBILITY (CSR)

1 **CORPORATE GOVERNANCE**
Ethical conduct, Compliance, Anti-corruption, Human rights, Environmental & Social Management System (ESMS)

2 **ECONOMIC DEVELOPMENT**
Product portfolio, Economic contribution, Indirect economic impacts, Procurement practices, Market presence, Product responsibility, Infrastructure Investments, Inclusive and sustainable industrialization, Innovation

3 **COMMUNITY DEVELOPMENT**
Local community development, Local community support, Local community collaboration, Financial literacy

4 **HUMAN DEVELOPMENT**
Progressive labor practices; Diversity, inclusion and equal opportunity; Training, education and talent development; External human development

5 **ENVIRONMENTAL PROTECTION**
Emissions, Effluents & waste, Energy consumption, Environmental loans, Awareness on resources usage

ENVIRONMENTAL & SOCIAL MANAGEMENT SYSTEM (ESMS) IMPLEMENTATION

ESMS OBJECTIVES

From purely transaction risk management focused, to identifying opportunities for transformational finance…

Transactional & Operational

TRANSACTIONAL
Due diligence of client management of E&S risks and compliance track record

OPERATIONAL
Ongoing internal awareness raising, implementation of ESMS procedures & data management, internal capacity building and support of other internal businesses (e.g. Green Loans)

Transitional

Engaging with business and clients to encourage improvement on E&S issues

Transformational

- Strategic partnerships to support Lebanon's transition into a low- carbon economy: $200million pledge (under EBRD's GEFF and Bank Audi) to finance green solutions
- Providing advisory to clients with large scale infrastructure projects on the E&S standards required in order to attract international funding & investment
- Further developing in-house expertise and understanding of issues that present potential E&S risks and opportunities

Transactional
Due Diligence

Operational
ESMS implementation support
Data management
Training

Transitional
Client/ business engagement

Transformational
Strategic partnerships to facilitate green financing
In-house advisory & expertise on E&S issues

ESMS runs alongside the Bank's credit process

Credit cycle	Credit application	Due diligence	Disbursement	Follow- up
ESMS	Identification	Evaluation	Mitigation	Monitoring

Bank Audi's ESMS is fully integrated into core credit decisions.
It is visibly supported by top management

Bank Audi

GOVERNANCE OF HOLDING BANK

CORPORATE GOVERNANCE

1	BOD STRUCTURE	11 Members 6 Executive directors 5 Independent directors
2	BOD COMMITTEES	Group Audit Committee Group Risk Committee Remuneration Committee Compliance/ AML /CFT Board Committee Corporate Governance & Nomination Committee Group Executive Committee
3	MANAGEMENT COMMITTEES	Asset-Liability Committee Investment Committee Credit Committee Information Technology Committee Anti-Money Laundering Committee Disclosure Committee
4	SET OF CHARTERS	Corporate Governance Guidelines Chart of Authorities Committees Charters

SHAREHOLDING STRUCTURE (30 June 2019)

Shareholders / Groups of Shareholders (Common Shares)	Country	Percentage Ownership [1]
FRH Investment Holding s.a.l.	Lebanon	9.65%
Audi Family [2]	Lebanon	6.90%
Family of Late Sheikha Suad Hamad Al Saleh Al Homaizi	Kuwait	6.04%
Sheikh Dhiab Bin Zayed Al-Nehayan	United Arab Emirates	4.97%
Al-Sabah Family [2]	Kuwait	4.72%
Akig Investment Holdings Ltd	Iraq	3.59%
Ali Ghassan El Merhebi Family	Lebanon	3.35%
Al-Hobayeb Family [2]	Kingdom of Saudi Arabia	2.55%
European Bank for Reconstruction and Development – EBRD		2.51%
International Finance Corporation I.F.C		2.50%
Said El-Khoury Family	Lebanon	2.22%
Kel Group	Lebanon	2.15%
Mohammed Bin Dhoheyan Bin Abdul Aziz Al Dhoheyan	Kingdom of Saudi Arabia	2.01%
Executives & Employees [3]	Lebanon	3.76%
Others		13.08%
The Bank of New York Mellon [4]	—	30.00%
Total Shareholding [5]	—	**100.00%**
Common shares outstanding		**399,749,204**

More than 1,500 common shareholders (including GDRs holders)

Notes to shareholders structure:

(1) Percentage ownership figures represent Common Shares owned by the named Shareholders and are expressed as a percentage of the total number of Common Shares issued and outstanding.

(2) The Audi Family, Al Sabah Family, and Al-Hobayeb Family include the following members of the Board (i) Marc Jean Audi and Sherine Raymond Audi, (ii) Mariam Nasser Sabah Al Nasser Al Sabah, and (iii) Abdullah Al Hobayeb, respectively.

(3) Excluding members of the Audi family accounted for in a separate row above.

(4) The Bank of New York Mellon holds Common Shares in its capacity as depositary under the Bank's GDR Program.
In addition to the ownership of Common shares mentioned above, 12.47 % of the Bank's Common Shares are held through GDRs by each of FRH Investment Holding s.a.l. (including by its controlling shareholder), The Audi Family, The Family of Late Sheikha Suad H. Al Homaizi, Sheikh Dhiab Bin Zayed Al-Nehayan, the Al-Hobayeb Family and Mohammed Bin Dhoheyan Bin Abdul Aziz Al Dhoheyan. (respectively, 2.30%, 0.92%, 1.81%, 3.13%, 2.44% and 1.87%). Information on GDR ownership is based on self-declarations (pursuant to applicable Lebanese regulations) as GDR ownership is

(5) otherwise anonymous to Bank Audi.

(6) As at the date hereof, the total number of common shares was 399,749,204. The Bank (and its affiliates) is the custodian of shares and/or GDRs representing 72.13 % of the Bank's Common Shares.

GROUP OVERVIEW

OPERATING ENVIRONMENT IN MAIN MARKETS

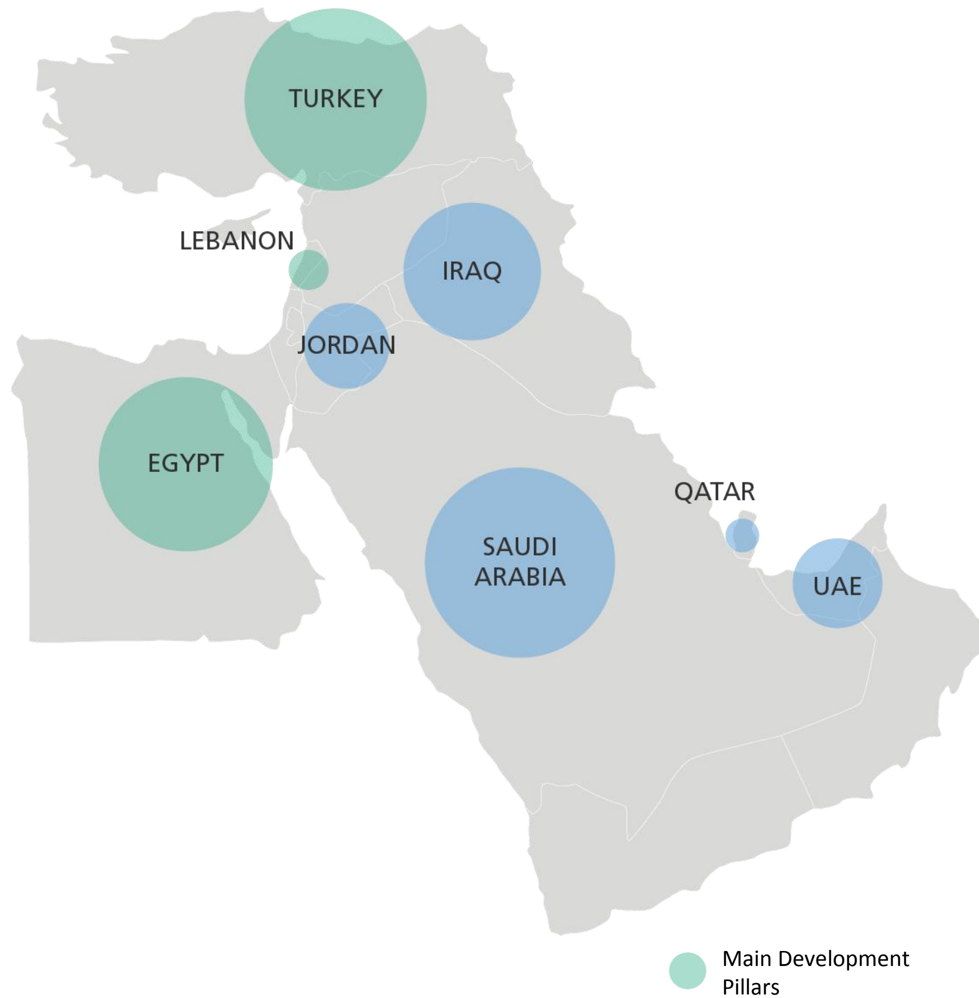
	Loan Growth[2]	Asset Growth[2]	Deposit Growth[2]	GDP Growth[1]
LEBANON	-5.3%	9.2%	-0.9%	1.3%
TURKEY	8.9%	17.3%	19.8%	-2.5%
EGYPT	22.1%	13.1%	15.0%	5.5%
MENA	4.0%	6.2%	4.0%	1.3%

1. *2019 forecasts for real GDP growth*
2. *Yearly growth in domestic currency for Turkey and in US$ terms for Egypt and MENA (May-19/May-18 or latest available)*

Source: IMF, MENA Central Banks

	Nominal GDP 2019F (US$ bn)	**Population 2019F** (million)	**Bank Assets** [1] (US$ bn)
LEBANON	58	6	254
TURKEY	706	83	732
EGYPT	300	102	327
MENA[2]	2,713	385	3,389

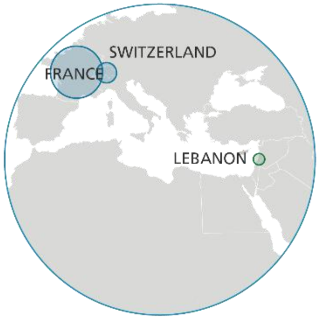
1. *May 2019 or latest available*
2. *Excluding Syria and Turkey*



GROUP OVERVIEW

Bank Audi

BUSINESS SEGMENTATION



2004
Lebanese Universal Bank

HI-19
Regional Universal Bank

In US$ million	ASSETS				LOANS				NET PROFITS			
By Geography	**Dec-04**		**Jun-19**		**Dec-04**		**Jun-19**		**FY-04**		**HI-19**	
	Vol.	**Share**	**Vol.**	**Share**	**Vol.**	**Share**	**Vol.**	**Share**	**Vol.**	**Share**	**Vol.**	**Share**
Lebanon[1]	8,762	83.6%	32,916	69.3%	1,715	79.2%	5,424	44.8%	69	96.7%	176	70.3%
Europe	1,555	14.8%	3,213	6.8%	424	19.6%	1,253	10.3%	5	7.6%	22	8.8%
Turkey			5,389	11.3%			3,118	25.7%			0	0.0%
MENA	165	1.6%	5,989	12.6%	27	1.2%	2,320	19.1%	-3	-4.3%	52	20.8%
Total	**10,481**	**100.0%**	**47,507**	**100.0%**	**2,166**	**100.0%**	**12,115**	**100.0%**	**72**	**100.0%**	**250**	**100.0%**

By Development Pillars	**Dec-04**		**Jun-19**		**Dec-04**		**Jun-19**		**FY-04**		**HI-19**	
	Vol.	**Share**	**Vol.**	**Share**	**Vol.**	**Share**	**Vol.**	**Share**	**Vol.**	**Share**	**Vol.**	**Share**
Lebanese Entities[1]	7,248	69.2%	31,435	66.2%	1,246	57.5%	5,318	43.9%	68	94.7%	162	64.7%
Turkey			5,389	11.3%			3,118	25.7%			0	0.0%
Egypt			4,368	9.2%			1,687	13.9%			41	16.4%
Private Banking Entities	2,017	19.2%	3,441	7.2%	616	28.4%	916	7.6%	7	9.3%	32	12.7%
Other Entities	1,216	11.6%	2,873	6.0%	305	14.1%	1,075	8.9%	-3	-3.9%	16	6.2%
Total	**10,481**	**100.0%**	**47,507**	**100.0%**	**2,166**	**100.0%**	**12,115**	**100.0%**	**72**	**100.0%**	**250**	**100.0%**

[1] *Including consolidation adjustments*

***Lebanese entities include**: Bank Audi Lebanon, AIB, Solifac, Gamma, other Lebanese entities and consolidation adjustments*
***Private Banking entities include**: APB, BAS, Audi Capital Gestion and AC-KSA*
***Other entities include**: BAF, other European entities, BAJO, BAQ and BAIQ*

MAIN DEVELOPMENT PILLARS - LEBANON

Bank Audi

STRONG LEADERSHIP IN LEBANON

Bank Audi, Audi Investment Bank and Solifac, excluding Audi Private Bank and consolidation adjustments

In US$ Million

Balance sheet data	Dec-18	Jun-19	Change
Assets	**35,407**	**35,549**	**143**
Deposits	**20,472**	**19,935**	**-537**
Loans	**6,111**	**5,367**	**-745**
Equity	**4,307**	**4,171**	**-136**
Outstanding LCs + LGs	**817**	**820**	**3**
Branches	**86**	**86**	**0**
Staff	**3,147**	**3,093**	**-54**
Earnings data	**HI-18**	**HI-19**	**Change**
Net interest income	314.0	330.1	16.1
+ Non interest income	67.3	33.5	-33.8
= Total income	**381.3**	**363.6**	**-17.7**
- General operating expenses	177.6	159.9	-17.7
= Operating profits	**203.7**	**203.7**	**0.0**
- Loan loss provision charge	8.6	10.3	1.7
- Income tax	39.9	31.4	-8.5
= Net profits	**155.2**	**162.0**	**6.8**
Spread	**2.1%**	**1.9%**	**-0.2%**
+ Non interest income / AA	0.4%	0.2%	-0.2%
= Asset utilization	**2.5%**	**2.1%**	**-0.4%**
X Net Operating margin	**40.7%**	**44.6%**	**3.9%**
o.w. cost to income	*46.6%*	*44.0%*	*-2.6%*
o.w. credit cost	*2.3%*	*2.8%*	*0.6%*
o.w. tax cost	*10.5%*	*8.6%*	*-1.8%*
= ROAA	**1.0%**	**0.9%**	**-0.1%**
= RORRC* [1]	**18.3%**	**19.6%**	**1.4%**

As per IFRS

[1] *Return on required regulatory capital*

CURRENT STATUS

- One of the best universal banking profile in the country with a wide activity diversification across corporate and commercial banking, retail and individual banking, private banking and wealth management as well as investment banking and capital market activities
- Dedicated platform of quality products supported by strong technological outreach and permanent pioneering innovations, ensuring a high penetration across business segments
- High quality and sophisticated talent pool

OPPORTUNITY

- Increasing pressure on the Lebanese economy in the first half of 2019 mirrored at the level of banking activity
- Material Capital Investment Program likely to impact positively growth and employment
- Improving touristic performance leading to a 12% growth in touristic spending and a 10% rise hotel occupancy over the first half-year
- Adoption of a comprehensive plan for electricity sector upgrading and reforms hinging over reducing losses, increasing production and raising tariffs
- Ratification of a 2019 Budget hovering around 7.5% deficit to GDP ratio, down from 11% registered in 2018, in addition to launching the 2020 Budget process

OUTLOOK

- Implement a cross-selling tool across main business segments to better revenues and earnings generation
- Favor improvement in operating conditions over balance sheet growth, through a re-pricing of assets and liabilities terms
- Impose a rigorous control of operating expenses through efficiency enhancement initiatives
- Tight follow-up on credit quality

Bank Audi

TARGETED GROWTH WITH A TIGHT FOLLOW UP ON CREDIT QUALITY

Odeabank

In TL Million

Balance sheet data	Dec-18	Jun-19	Change
Assets	**31,998**	**31,013**	**-985**
Deposits	**20,929**	**20,058**	**-870**
Loans	**18,556**	**17,943**	**-613**
Equity	**3,220**	**3,166**	**-54**
Outstanding LCs + LGs	**2,366**	**2,659**	**292**
Branches	**45**	**47**	**2**
Staff	**1,088**	**1,078**	**-10**
Earnings data	**HI-18**	**HI-19**	**Change**
Net interest income	574.1	499.3	-74.8
+ Non interest income	125.6	125.0	-0.5
= Total income	**699.6**	**624.3**	**-75.3**
- General operating expenses	287.0	318.7	31.7
= Operating profits	**412.6**	**305.6**	**-107.0**
- Loan loss provision charge	202.7	292.9	90.2
- Income tax	46.3	2.5	-43.7
= Net profits	**163.7**	**10.2**	**-153.5**
Spread	**3.6%**	**3.2%**	**-0.3%**
+ Non interest income / AA	0.8%	0.8%	0.0%
= Asset utilization	**4.4%**	**4.1%**	**-0.3%**
X Net operating margin	**23.4%**	**1.6%**	**-21.8%**
o.w. cost to income	*41.0%*	*51.0%*	*10.0%*
o.w. credit cost	*29.0%*	*46.9%*	*17.9%*
o.w. tax cost	*6.6%*	*0.4%*	*-6.2%*
= ROAA	**1.0%**	**0.1%**	**-1.0%**
X Leverage	**8.3**	**9.7**	**1.4**
= ROACE	**8.5%**	**0.6%**	**-7.8%**

As per Local Standard, IFRS

CURRENT STATUS

- A universal bank profile with wide product range covering retail and commercial segments
- Balanced and targeted growth strategy in line with the adopted consolidation mode in support of improved efficiency, profitability and asset quality
- Solid capital adequacy position above peers with a CET1 ratio of 12.9% and a total CAR ratio of 20.1%, on the back of prudent risk management
- Self-funded balance sheet structure with limited reliance on wholesale funding leading to one of the lowest loan to deposit ratios in the sector

OPPORTUNITY

- A diversified and rebalancing economy with favorable demographics and strong trade linkage
- Despite the slowdown in domestic demand, strong fiscal buffers and robust foreign demand contain the downside risks

OUTLOOK

- Focus on preservation of strong core capital by enhancing profitability metrics, along a tight follow-up on credit quality
- Pursue a controlled and targeted growth strategy, with a particular emphasis on value-added loan growth ensuring good asset quality
- Maintain its self-funded balance sheet structure, strong liquidity profile and strong capital buffer
- Leverage on the Group's wide footprint in the MENA region to capture cross-border opportunities and financial synergies on costs and revenues

MAIN DEVELOPMENT PILLARS - EGYPT

Bank Audi

CONSISTENT PERFORMANCE WITH ENTICING PROSPECTS

Bank Audi sae (Egypt)

In EGP Million

Balance sheet data	Dec-18	Jun-19	Change
Assets	**68,401**	**71,771**	**3,370**
Deposits	**58,757**	**61,825**	**3,068**
Loans	**31,182**	**28,198**	**-2,984**
Equity	**6,730**	**6,388**	**-342**
Outstanding LCs + LGs	**5,222**	**4,830**	**-391**
Branches	**46**	**46**	**0**
Staff	**1,456**	**1,431**	**-25**
Earnings data	**HI-18**	**HI-19**	**Change**
Net interest income	1,107.9	1,402.2	294.3
+ Non interest income	305.2	211.9	-93.4
= Total income	**1,413.1**	**1,614.1**	**200.9**
- General operating expenses	505.1	612.8	107.8
= Operating profits	**908.1**	**1,001.2**	**93.1**
- Loan loss provision charge	67.1	46.5	-20.6
- Income tax	189.5	254.1	64.6
= Net profits	**651.5**	**700.6**	**49.1**
Spread	**3.9%**	**4.1%**	**0.2%**
+ Non interest income / AA	1.1%	0.6%	-0.5%
= Asset utilization	**4.9%**	**4.7%**	**-0.2%**
X Net Operating margin	**46.1%**	**43.4%**	**-2.7%**
o.w. cost to income	*35.7%*	*38.0%*	*2.2%*
o.w. credit cost	*4.7%*	*2.9%*	*-1.9%*
o.w. tax cost	*13.4%*	*15.7%*	*2.3%*
= ROAA	**2.3%**	**2.0%**	**-0.2%**
X Leverage	**9.9**	**10.5**	**0.6**
= ROACE	**22.6%**	**21.5%**	**-1.2%**

As per Local Standard

CURRENT STATUS

- Resilient to successive political transitions since 2011, sustaining solid growth trajectory with 20% CAGR in assets and 30% in net profits over the 2010 - Jun 19 period
- NPL ratio of 4.0% below the sector
- Efficient and profitable growing bank with an average ROAA and ROACE of 1.7% and 19.2% over the 2010 – Jun 19 period

OPPORTUNITY

- Strong economic momentum on the back of a more attractive business and investment environment, enhanced external competitiveness and improved risk profile with better macro fundamentals
- 2019 real GDP growth forecasted at a 12-year high of 5.5% amid wide structural and fiscal reforms fostering the overall confidence factor
- Improving banking sector performance, with asset growth of 12.8% when expressed in US dollars in April 2019 relative to April 2018, while deposits rose by 14.7% and loans increased by 21.5% over the same period

OUTLOOK

- Leveraging on a recognizable and highly regarded brand in Egypt
- New development plan encompassing the expansion of the network and extension of the scope of products and services to cover new business segments such as Islamic, mass affluent, mortgages and others

MAIN DEVELOPMENT PILLARS – PRIVATE BANKING

Bank Audi

STRONG EXPERTISE & KNOW-HOW

Audi Private Bank, Banque Audi Suisse, Audi Capital Gestion and Audi Capital KSA

In US$ Million

Balance sheet data	Dec-18	Jun-19	Change
On-Balance Sheet Assets	**3,124**	**3,354**	**230**
Total Client Assets	**10,973**	**11,836**	**863**
o.w. AuMs	5,443	5,783	340
o.w. Deposits	2,457	2,682	225
o.w. Fiduciary Deposits	3,074	3,372	298
Client Loans	**949**	**916**	**-33**
Equity	**384**	**396**	**13**
Staff	**232**	**221**	**-11**
Earnings data	**HI-18**	**HI-19**	**Change**
Net interest income	30.9	33.8	2.8
+ Non interest income	42.4	42.8	0.4
= Total income	**73.3**	**76.6**	**3.3**
- General operating expenses	34.7	35.7	0.9
= Operating profits	**38.6**	**40.9**	**2.3**
- Loan loss provision charge	-0.1	-0.1	0.0
- Income tax	8.4	9.3	0.9
= Net profits	**30.3**	**31.7**	**1.4**
Spread (on AA +AAuMs)	**0.5%**	**0.6%**	**0.0%**
+ Non interest income / AA+AAuMs	0.7%	0.7%	0.0%
= Asset utilization	**1.3%**	**1.3%**	**0.0%**
X Net operating margin	**41.3%**	**41.4%**	**0.1%**
o.w. cost to income	*47.4%*	*46.6%*	*-0.8%*
o.w. credit cost	*-0.1%*	*-0.1%*	*0.0%*
o.w. tax cost	*11.4%*	*12.2%*	*0.7%*
= ROAA+AAuMs	**0.5%**	**0.5%**	**0.0%**
X Leverage	**30.0**	**30.9**	**0.9**
= ROACE	**15.6%**	**16.5%**	**0.9%**

As per IFRS

CURRENT STATUS

- Bank Audi Private Bank operates chiefly through Banque Audi Suisse in Switzerland, together with Audi Private Bank in Lebanon and an additional entity in Saudi Arabia
- Fully diversified range offering with access to major markets worldwide and global investment products including discretionary portfolio management, investment advisory, trade execution in all asset classes, structuring and management of Saudi and regional funds and other private banking services
- Deep-rooted in the MENA region, Bank Audi Private Bank also covers Sub-Saharan Africa (AuMs of US$ 1,463 million) and Latin America (US$ 936 million) through dedicated desks and RMs
- Unified legal entities holding structure in an EU jurisdiction allowing to optimize the deployment of internal resources and maximize the availability of external resources

OPPORTUNITY

- The Middle East region continues to be second - fastest growing private banking market, trailing only to Asia
- Robust growing wealth pools fostering need for wealth and asset management services
- Wealth management industry currently in transition to accommodate increasing regulatory transparency requirements and related cost investment, allowing smaller and more agile institution to gain market shares

STRATEGY

- Improve synergies between the different Private Banking entities and increase market share in the MENA region
- Institutionalize the Private Banking business as the fourth strategic pillar of the Group, and structural contributor in terms of profitability and market franchise

CONSOLIDATED FINANCIAL STANDING:
PERFORMANCE HIGHLIGHTS

Bank Audi

ASSETS & FOOTINGS

In US$ Million	Dec-18	Jun-19	YTD Change	YTD %
Primary liquidity	19,173	20,299	1,126	5.9%
Portfolio securities	12,923	12,897	-26	-0.2%
Loans to customers	13,267	12,115	-1,153	-8.7%
Other assets	1,081	1,287	206	19.1%
Fixed assets	756	908	152	20.1%
Assets= Liabilities	**47,201**	**47,507**	**305**	**0.6%**
Bank deposits	9,357	9,398	41	0.4%
Customers' deposits	31,956	31,791	-165	-0.5%
Other liabilities	2,003	2,508	505	25.2%
Shareholders' equity	3,886	3,810	-76	-2.0%
AUMs + fid. dep. + cust. acc.	12,199	12,506	307	2.5%
Assets + AUMs	**59,400**	**60,012**	**612**	**1.0%**

INCOME STATEMENT

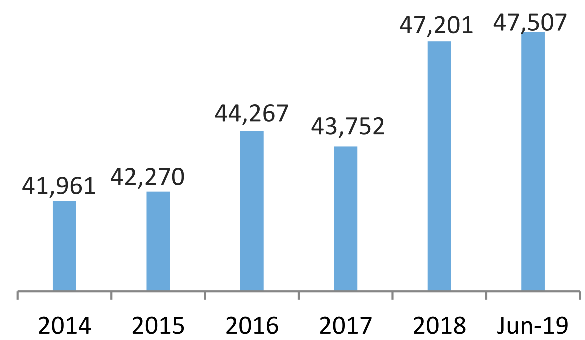
In US$ Million	HI-18	HI-19	YOY HI-19 / HI-18	
Interest income [1]	581.8	562.2	-19.6	-3.4%
Net of new taxes on financial investments	*42.7*	*59.6*	*16.9*	*39.6%*
Non interest income	159.2	125.9	-33.4	-20.9%
Total income	**741.0**	**688.0**	**-53.0**	**-7.1%**
Operating expenses	338.7	306.3	-32.4	-9.6%
Credit expense	59.7	70.1	10.4	17.4%
Income tax	77.3	61.3	-16.0	-20.7%
Total expenses	**475.6**	**437.7**	**-37.9**	**-8.0%**
Net Profits after tax	**265.4**	**250.4**	**-15.0**	**-5.7%**
Results of discontinued operation				
= Profit after tax and discontinued operations	**265.4**	**250.4**	**-15.0**	**-5.7%**

1 *Includes interest revenues from financial instruments at FVPL*

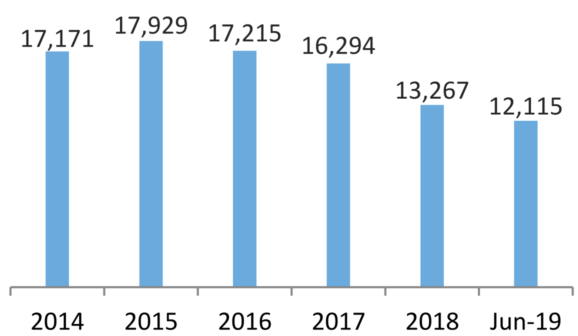
CONSOLIDATED FINANCIAL STANDING:
RESILIENT PERFORMANCE IN TESTING TIMES

Bank Audi

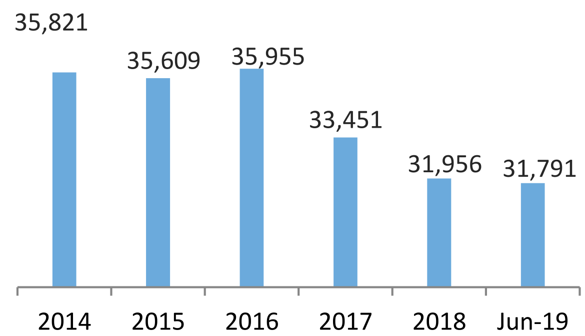
ASSETS IN US$ MILLION



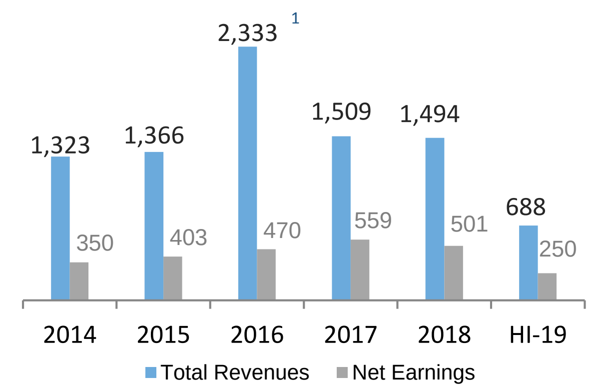
LOANS TO CUSTOMERS IN US$ MILLION



CUSTOMERS' DEPOSITS IN US$ MILLION

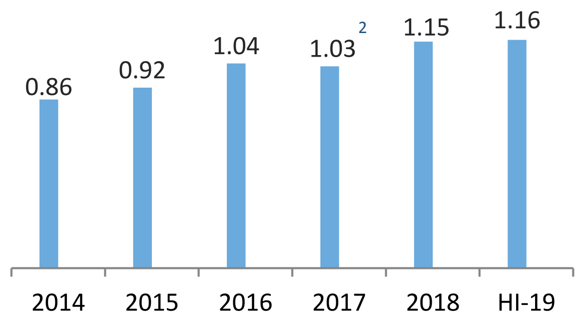


REVENUES & NET EARNINGS IN US$ MILLION



[1] *US$ 1,477 million excluding non recurrent revenues related to exchange transactions with the Central Bank of Lebanon*

EARNINGS PER COMMON SHARE IN US$



[2] *Excluding net profits from discontinued operations*

KEY PERFORMANCE METRICS

	2015	2016	2016 Norm.	2017 *	2018	HI-19
Spread	**2.13%**	**2.33%**	**2.37%**	**2.39%**	**2.62%**	**2.43%**
+ NII / AA	1.20%	2.71%	0.98%	1.04%	0.71%	0.54%
= Asset Utilization	**3.32%**	**5.04%**	**3.34%**	**3.44%**	**3.34%**	**2.97%**
*** Net operating margin**	**28.95%**	**21.79%**	**28.78%**	**30.74%**	**33.50%**	**36.39%**
o.w. cost to income	53.82%	46.95%	54.36%	51.18%	46.27%	44.52%
o.w. provisions	9.58%	20.45%	9.44%	9.53%	11.77%	10.19%
o.w. tax cost	7.66%	10.81%	20.50%	8.56%	8.46%	8.91%
=ROAA	**0.96%**	**1.10%**	**0.96%**	**1.06%**	**1.12%**	**1.08%**
*** Leverage**	**12.96**	**12.66**	**12.63**	**11.62**	**11.18**	**12.10**
=ROAE	**12.47%**	**13.91%**	**12.16%**	**12.28%**	**12.49%**	**13.08%**
ROACE	**13.69%**	**14.76%**	**12.77%**	**13.41%**	**14.00%**	**14.28%**

** Excluding net profits from discontinued operations*

CONSOLIDATED FINANCIAL STANDING:

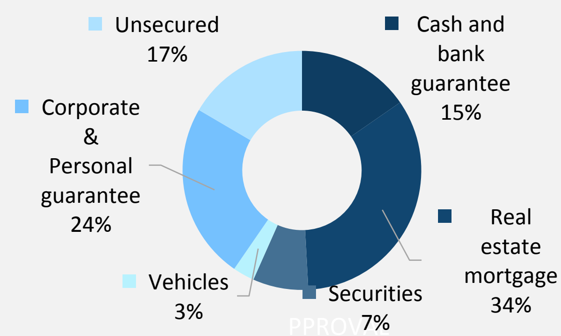
LOAN PORTFOLIO BREAKDOWN 26% OF TOTAL ASSETS

Bank Audi

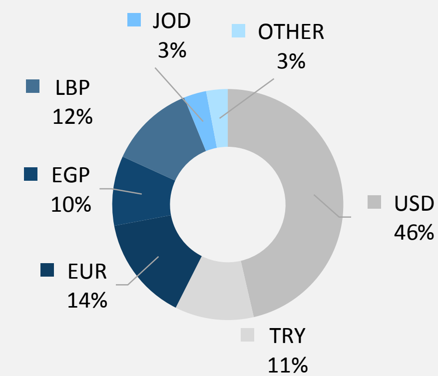
LOANS BREAKDOWN BY ECONOMIC SECTOR

Manufacturing	12.0%
Transportation & communication	2.2%
Consumer loans	20.9%
Contractors	2.9%
Trade	11.0%
Real estate & developers	17.0%
Financial intermediaries	16.1%
Other loans	18.0%
Total	**100.0%**

LOANS BREAKDOWN BY COLLATERAL



LOANS BREAKDOWN BY CURRENCY

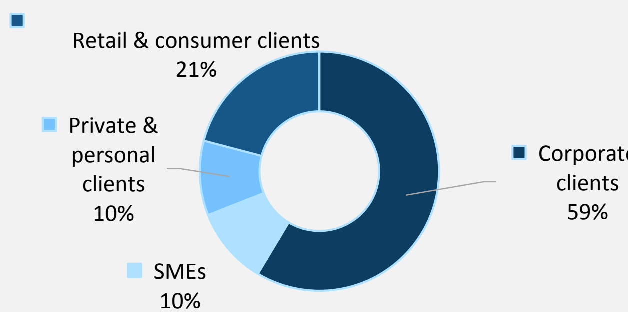


NET EXPOSURES BY DEVELOPMENT PILLARS

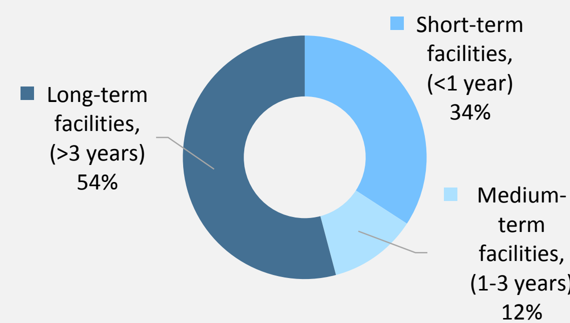
Turkey	23.9%
Lebanon	40.0%
Egypt	13.9%
Private banking entities	7.4%
Other entities	14.8%
Total	**100.0%**

Based on country risk

LOANS BREAKDOWN BY CUSTOMERS' TYPE



LOANS BREAKDOWN BY MATURITY



CONSOLIDATED FINANCIAL STANDING:
ASSET QUALITY

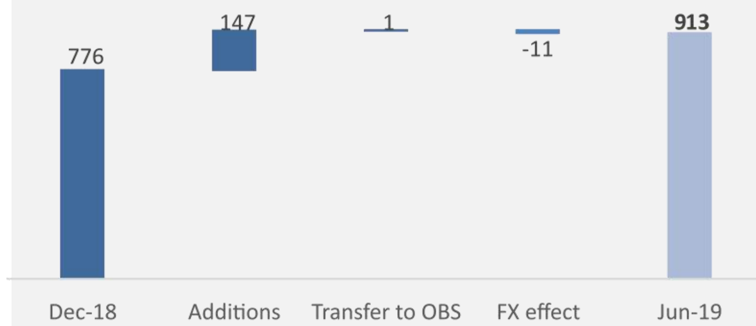
In US$ Million	Dec-18	Jun-19	Change
Non-Retail loans	**100.00%**	**100.00%**	**0.00%**
Stage I[1] / gross loans	75.83%	76.24%	0.41%
Stage II[2] / gross loans	18.55%	16.77%	-1.78%
Stage III[3] / gross loans	5.62%	6.99%	1.37%
Retail loans	**100.00%**	**100.00%**	**0.00%**
Stage I[1] / gross loans	90.57%	87.25%	-3.32%
Stage II[2] / gross loans	4.32%	5.46%	1.14%
Stage III[3] / gross loans	5.11%	7.29%	2.18%
Total	**100.00%**	**100.00%**	**0.00%**
Stage I[1] / gross loans	78.87%	78.55%	-0.32%
Stage II[2] / gross loans	15.62%	14.40%	-1.22%
Stage III[3] / gross loans	5.52%	7.05%	1.53%
Allowance for ECL stage 3	488.4	590.1	101.6
Allowance for ECL stage 1 & 2	309.3	249.5	-59.8

OTHER FINANCIAL ASSETS

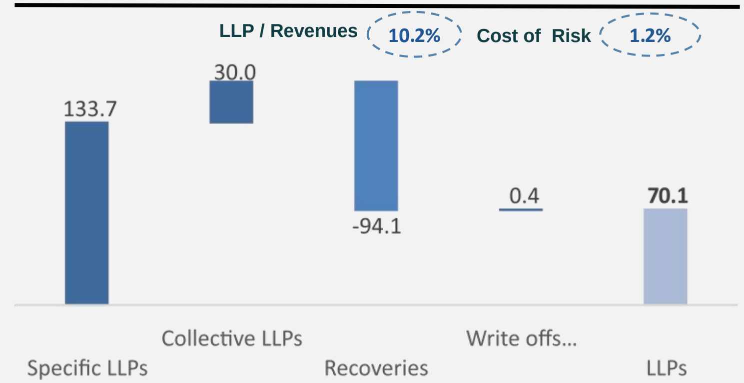
	Dec-18	Jun-19	Change
Collective provisions /Other Financial Assets	0.38%	0.43%	0.05%

1. *Stage 1 includes performing loans only*
2. *Stage II includes restructured loans, loans past due by not impaired > 30 days and loans subject to internal rating migration from origination to reporting*
3. *Stage III includes NPLs*

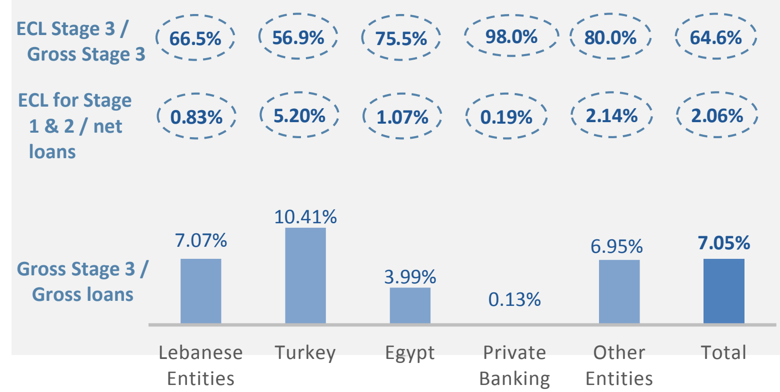
GROSS STAGE 3 LOANS MOVEMENT



LOAN LOSS PROVISIONS MOVEMENT IN HI-19



ASSET QUALITY BY ENTITY



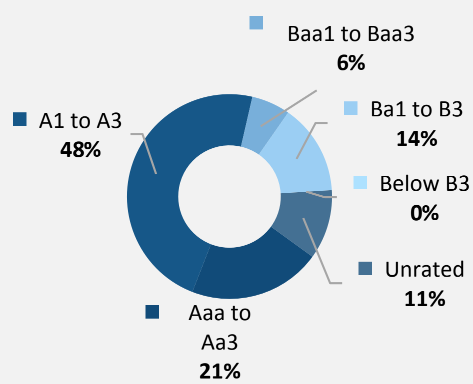
CONSOLIDATED FINANCIAL STANDING:

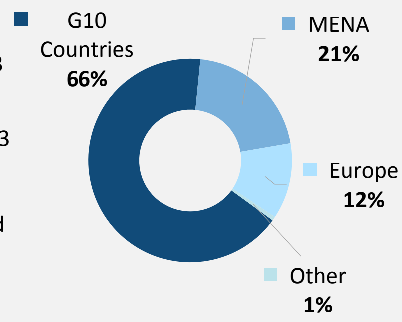
LIQUIDITY & PORTFOLIO SECURITIES (70% of total assets)

LIQUIDITY

US$ Million	LL	US$	EUR	EGP	TRY	JOD	Other	TOTAL
Cash & Central Banks	**9,121**	**6,529**	**1,127**	**1,128**	**56**	**46**	**734**	**18,741**
o.w. Reserves requirements	425	2,840	8	255	0	38	7	3,571
o.w. Cash and deposits accounts	8,696	3,689	1,120	874	56	8	728	15,170
Placement with banks	**21**	**882**	**331**	**20**	**138**	**29**	**136**	**1,558**
o.w. Deposits with banks	10	878	321	0	30	29	136	1,405
o.w. Loans & reverse repo agreements	11	4	11	19	108			153
Total liquidity	**9,142**	**7,411**	**1,459**	**1,148**	**194**	**75**	**870**	**20,299**

BREAKDOWN OF PLACEMENTS WITH BANKS

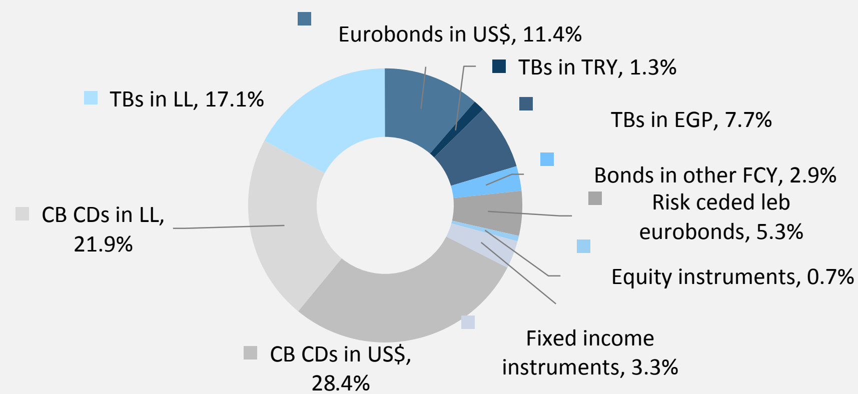




PORTFOLIO SECURITIES

US$ Million	LL	US$	EUR	EGP	TRY	JOD	Other	TOTAL
Central Banks certificates of deposits	2,822	3,668						6,490
Treasury Bills & Eurobonds	2,209	1,568		997	170	275		5,219
Risk ceded Lebanese Eurobonds		682						682
Equity instruments	15	56	3.2	2.0	1	5	2	84
Fixed income instruments		159			56		207	422
Total portfolio securities	**5,045**	**6,060**	**3**	**999**	**227**	**281**	**282**	**12,897**
Liquidity & Portfolio Securities	**14,187**	**13,471**	**1,462**	**2,147**	**421**	**355**	**1,152**	**33,196**

BREAKDOWN OF PORTFOLIO SECURITIES BY CURRENCY & TYPE

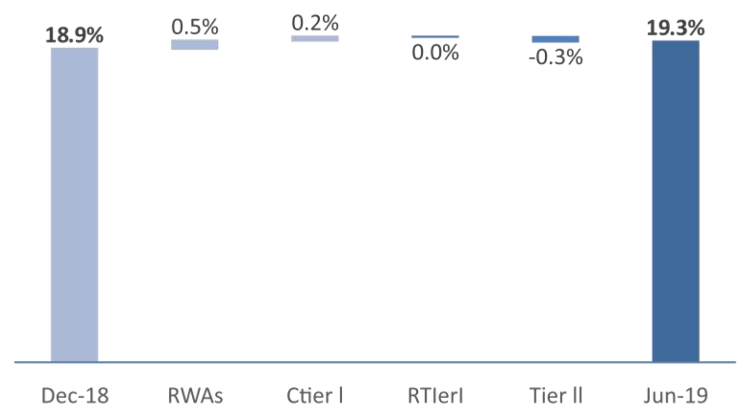


CONSOLIDATED FINANCIAL STANDING:
CAPITALIZATION

BASEL III

US$ Million	Dec-18	Jun-19
Risk-weighted assets	**23,132**	**22,534**
o.w. Credit risk	20,046	19,475
o.w. Market risk	333	306
o.w. Operational risk	2,753	2,753
Regulatory capital		
Core common tier one capital (net of deductions)	**2,630**	**2,686**
+ Additional tier one capital	611	606
= Tier one capital	**3,242**	**3,292**
+ Tier two capital	1,133	1,068
= Total capital	**4,375**	**4,360**
Core common tier one ratio	11.4%	11.9%
+ Additional tier one ratio	2.6%	2.7%
= Tier one ratio	**14.0%**	**14.6%**
+ Tier two ratio	4.9%	4.7%
= Total ratio	**18.9%**	**19.3%**

CAPITAL ADEQUACY RATIO EVOLUTION



ODEABANK & BANK AUDI EGYPT CAR (AS PER LOCAL REGULATIONS)

At End-June 2019	Turkey [1]	Egypt
Tier one ratio	12.9%	17.0%
Tier two ratio	7.2%	3.4%
Total ratio	**20.1%**	**20.5%**

[1] *Preliminary estimate.*

MAIN STRATEGIC ORIENTATIONS:
POSITION THE GROUP AS A LEADING MENAT BANK

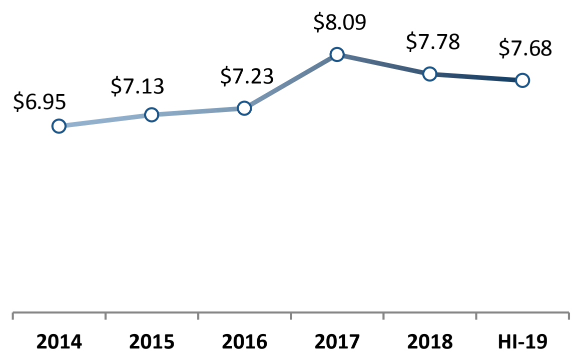
CURRENT STRATEGY

- **3 main geographic pillars:** Lebanon, Turkey, Egypt.
- Consolidation mode in main markets of presence while maintaining the network ready to capture growth opportunities as soon as they arise.
  - **In Lebanon**, reinforce its strong leadership while increasing the penetration in the corporate and SME segments
  - **In Egypt**, build a resilient and well regarded brand
  - **In Turkey**, establish a well fenced banking platform while improving efficiency and profitability
  - Leverage solid expertise **in Private Banking** by reinforcing synergies across entities in Europe, the Near-East and the GCC

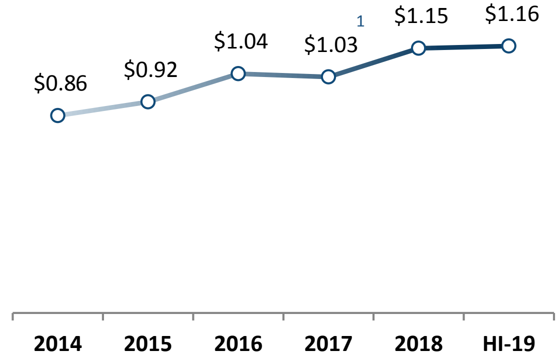
SHARE INFORMATION:
INVESTMENTS CONSIDERATIONS

Bank Audi

COMMON BOOK PER SHARE

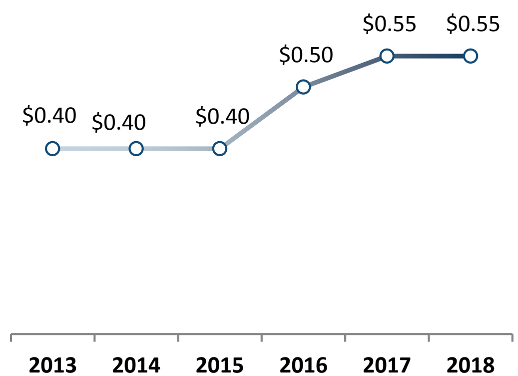


COMMON EARNINGS PER SHARE

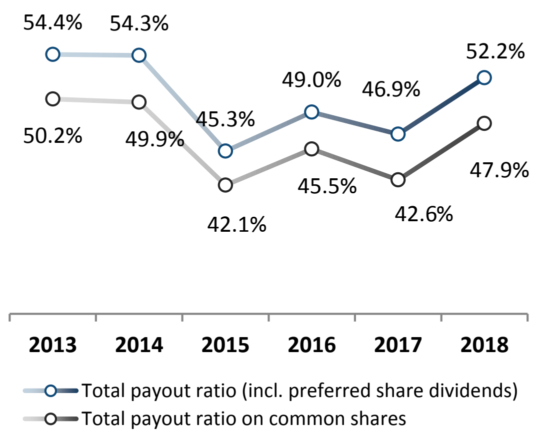


[1] *Excluding net profits from discontinued operations*

COMMON DIVIDEND PER SHARE



PAYOUT RATIO

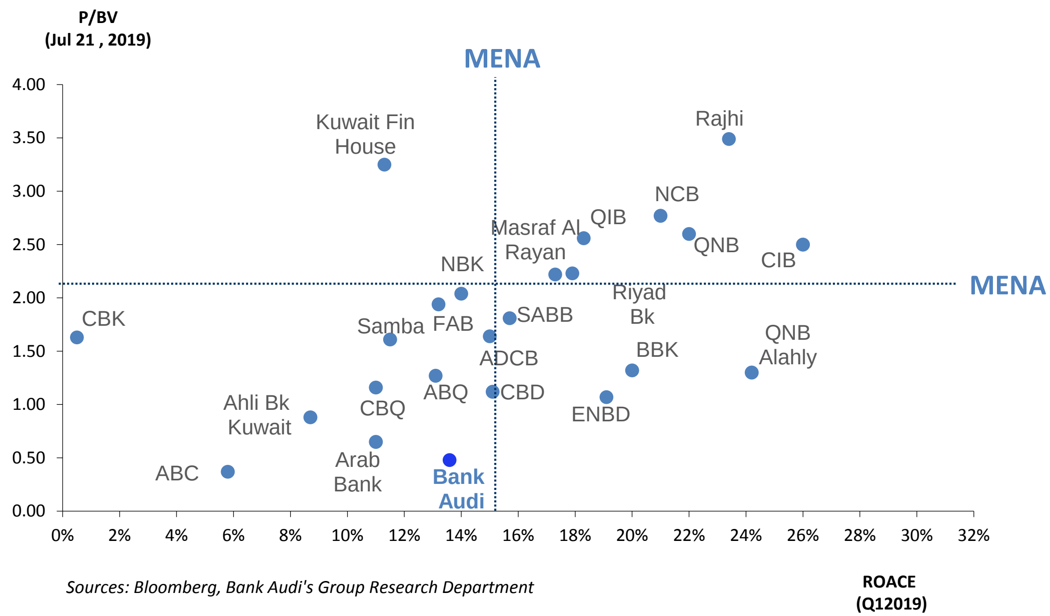


USEFUL SHARE INFORMATION

Audi GDR's Program	Audi Ordinary's program
GDR Ticket: AUSR	Ordinary Ticker: Audi.BY
CUSIP: 60572112	Custodian: Midclear
ISIN: US0605721127	ISIN: LB0000010415
Ration: 1 To 1	Nom. Value: 1,670 LBP
Depositary: Deutsche Bank Americas	Effective Date: 20/10/06
Effective Date: 24/10/97	Underlying ISIN: LB0000010415
Underlying ISIN : LB0000010415	SEDOL: 6113407 LB
SEDOL (Beirut): BLD3615 LB	Country: Lebanon
SEDOL: BLD35C9 GB	Industry: Banks

SHARE INFORMATION:
STOCK MARKET PERFORMANCE & RATIOS

BANK AUDI V/S MENA PEERS



Sources: Bloomberg, Bank Audi's Group Research Department

COMPARATIVE P/E RATIOS FOR BANKS[1]

Audi GDR	3.4x	MENA	13.8x	KSA	15.0x	Qatar	13.7x
Audi Listed	3.4x	Jordan	11.0x	UAE	11.0x	Bahrain	11.2x
Lebanon	6.1x	Egypt	9.3x	Kuwait	18.9x	Oman	6.9x

[1] *Prices as at July 21, 2019*
Sources: Bloomberg, Beirut Stock Exchange, Bank Audi's Group Research Department

STOCK MARKET RATIOS

PRICE TO BOOK AS AT JULY 21, 2019

AUDI [1]	MENA AVERAGE	EMERGING MARKETS AVERAGE	GLOBAL AVERAGE
0.48	2.15	1.76	1.39

PRICE TO EARNINGS AS AT JULY 21, 2019

AUDI [1]	MENA AVERAGE	EMERGING MARKETS AVERAGE	GLOBAL AVERAGE
3.4	13.8	12.4	11.1

PRICE TO ASSETS AS AT JULY 21, 2019

AUDI [1]	MENA AVERAGE	EMERGING MARKETS AVERAGE	GLOBAL AVERAGE
3.3%	27.7%	20.4%	15.0%

PEG RATIO AS AT JULY 21, 2019

AUDI [1]	MENA AVERAGE	EMERGING MARKETS AVERAGE	GLOBAL AVERAGE
0.48	2.0	2.1	1.5

[1] *On the basis of a Bank Audi GDR price of US$ 3.86 on the Beirut Stock Exchange as at 21/07/2019*
Sources: Bloomberg, Citigroup, IMF, Beirut Stock Exchange, Bank Audi's Group Research Department

APPENDIX

FINANCIAL STATEMENTS:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(in US$ Thousands)*

Bank Audi

Assets	Dec-17	Dec-18	Jun-19
Cash and balances with Central Banks	13,165,412	16,446,887	18,741,213
Deposits with banks & financial institutions	965,010	2,549,669	1,404,999
Loans to banks & financial institutions & reverse repurchase agreements	801,682	176,879	153,002
Due from head office, sister, related banks & financial institutions			
Financial assets given as collateral			
Derivative financial instruments	264,069	278,440	205,239
Shares and participations held at fair value through profit & loss	40,484	70,998	41,570
Debt Instruments & other similar financial assets at fair value through profit & loss	951,522	75,019	213,247
Of which: Net advances and loans designated at fair value through profit and loss	31,614	24,699	27,054
Net loans & advances to customers at amortized cost	16,186,257	13,165,483	12,011,319
Net loans & advances to related parties at amortized cost	107,339	101,938	103,436
Debtors by acceptances	150,512	275,041	560,153
Debt instruments classified at Amortized Cost	9,832,401	11,942,818	11,828,688
Shares and participations designated at fair value through OCI	104,827	48,853	42,501
Debt instruments and other similar financial assets at fair value through OCI	-	785,267	771,215
Investments in associates	89,192	96,096	93,531
Assets taken in settlement of debts	95,561	128,505	185,939
Property & equipment	586,666	582,223	677,043
Intangible fixed assets	50,576	45,423	44,969
Non current assets held for sale			
Other assets	331,995	403,603	400,350
Goodwill	28,334	28,135	28,136
Total Assets	**43,751,839**	**47,201,277**	**47,506,550**

Liabilities	Dec-17	Dec-18	Jun-19
Due to Central Banks	2,634,492	7,907,124	8,210,242
Due to banks & financial institutions & repurchase agreement	1,887,294	1,449,414	1,187,277
Due to head office, sister, related banks & financial institutions			
Financial assets taken as a guarantee			
Derivative financial instruments	136,242	270,815	278,203
Financial liabilities at fair value through profit &loss			
Of which: deposits at fair value through profit and loss			
Customers deposits at amortized cost	32,953,802	31,692,916	31,562,633
Deposits from related parties at amortized cost	497,660	262,762	228,092
Debt issued & other borrowed funds		39,309	147,375
Engagements by acceptances	150,512	275,041	560,153
Other liabilities	390,504	371,229	473,100
Provisions for risks & charges	94,017	227,393	246,929
Subordinated loans & similar debts	819,415	818,860	802,303
Non current liabilities held for sale			
Total Liabilities	**39,563,938**	**43,314,863**	**43,696,307**
Shareholders' Equity - Group Share	***3,940,735***	***3,742,226***	***3,680,454***
Capital and issue premium - Common	1,027,108	1,028,964	1,028,964
Capital and issue premium - Preferred	750,000	600,000	600,000
Share purchase warrant	8,377	8,377	
Cash contribution to capital	48,150	48,150	48,150
Reserves	803,968	738,139	810,120
Treasury shares	-62,708	-6,019	-6,152
Retained earnings	827,137	829,131	968,370
Other component of equity	582	-4,191	-18,920
Results of the period	538,121	499,675	249,922
Non controlling Interest	***247,166***	***144,188***	***129,789***
Total Shareholders' Equity	**4,187,901**	**3,886,414**	**3,810,243**
Total Liabilities & Shareholders' Equity	**43,751,839**	**47,201,277**	**47,506,550**

1 *Loans granted to related parties against cash collateral amounted to USD 73 million*

2 *Includes an amount of USD 682 million with risk ceded to customers*

FINANCIAL STATEMENTS:

CONSOLIDATED PROFIT & LOSS STATEMENT

Bank Audi

(in US$ Thousands)	2017	HI-18	2018	HI-19
Interest & similar income [1]	3,050,007	1,472,157	3,175,138	1,820,307
Interest & similar expenses	-1,999,166	-890,397	-1,999,871	-1,258,156
Net Interest Income	**1,050,842**	**581,759**	**1,175,267**	**562,151**
Non interest income	458,172	159,223	319,079	125,872
Total Operating Income	**1,509,013**	**740,983**	**1,494,346**	**688,022**
Net provisions for credit losses	-143,759	-59,688	-175,947	-70,077
Net Operating income	**1,365,254**	**681,295**	**1,318,399**	**617,946**
Personnel expenses	-418,393	-188,798	-365,354	-175,604
Other operating expenses	-289,262	-121,206	-270,383	-94,686
Depreciation of property & equipment	-49,351	-20,900	-40,727	-19,294
Amortization of intangible assets	-15,236	-7,750	-14,953	-16,707
Impairment of goodwill				
Total Operating Expenses	**-772,241**	**-338,653**	**-691,417**	**-306,292**
Profit Before Tax	**593,013**	**342,642**	**626,981**	**311,654**
Income tax	-129,179	-77,253	-126,424	-61,298
Profit After Tax	**463,834**	**265,389**	**500,557**	**250,356**
Net results from discontinued operations	**95,121**			
= Profit After Tax and Discontinued Operations	**558,955**	**265,389**	**500,557**	**250,356**
Minority Interest	20,834	9,561	883	434
Net Profit - Group share	538,121	255,828	499,675	249,922

1 *Includes interest revenues from financial instruments at FVPL*

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