



بنك ظفار
BankDhofar

INVESTOR PRESENTATION

JUNE 2019



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Snapshot of BankDhofar

Establishment	<ul style="list-style-type: none"> ▶ BankDhofar SAOG (“BankDhofar” or “the Bank”) was established in the Sultanate of Oman (“Oman”) in January 1990 as a public joint stock company and is engaged in retail banking, corporate banking, investment banking and treasury services. ▶ Second largest listed bank in Oman by total assets as at 30th June 2019 which currently stand at USD 10.886 billion and has approximately 1,603 employees as at 30th of June 2019. ▶ Offers both conventional and Islamic products. 	
Operations	<ul style="list-style-type: none"> ▶ Operates a network of 71 branches with 61 conventional branches (including 1 corporate center), 10 Islamic branches, total 191 ATM/CDM/FFM machines made up of 121 Automated Teller Machines (“ATMs”), 56 Cash and Cheque Deposit Machines (“CCDMs”) and 14 Full Function Machines (“FFMs”) as at 30th June 2019 ▶ Offers its services and products exclusively within Oman. 	
Business Segments	<ul style="list-style-type: none"> ▶ Operates via business divisions: Retail Banking, Wholesale Banking, Treasury and FI Banking, Islamic Banking (as a separate window) and Government Banking. ▶ Retail and Wholesale Banking represents the Bank’s largest business segments, collectively contributing to 80% of the total assets and 86% of the net operating income as at 30th June 2019. ▶ In 2013, MAISARAH (the Islamic Banking window) was launched, offering retail and corporate Shari’ah-compliant financial services and products to its customers. 	
Rating Agency	Date	Long Term Rating
Moody’s	March 2019	Ba1
FitchRatings	March 2019	BB

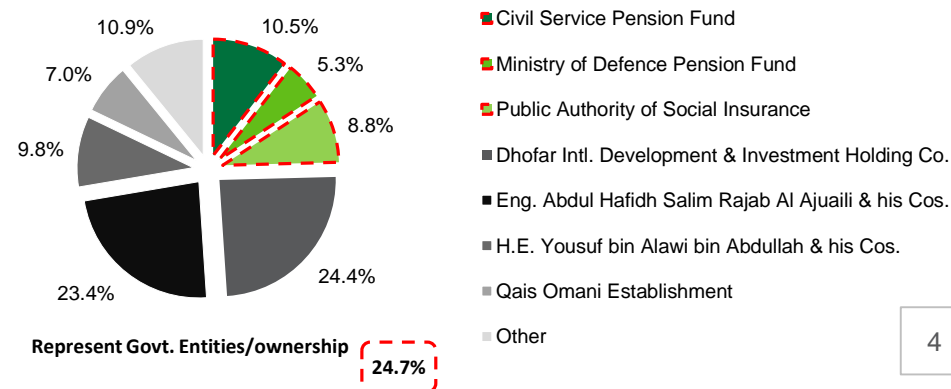
Conversion Rate: 1.00 OMR = 2.5974 USD
 Source: BankDhofar’s Annual & Quarterly Reports

Financial Highlights

USD Million	2015	2016	2017	2018	2018-H1	2019-H1	YoY-Change
Total Assets	9,332	10,265	11,031	10,943	10,998	10,886	-112
Total Equity	1239	1390	1525	1813	1528	1766	238
Net Loans, Advances & Financing to Customers	7,088	7,764	8,439	8,205	8,119	7,966	-153
Customer Deposits	6,732	7,493	7,969	7,595	8,102	7,508	-594
Total Operating Income	299	330	330	348	167	170	3
Net Profit	122	125	125	130	65	51	-14
CET 1 Ratio	9.43%	9.85%	10.53%	11.88%	10.32%	11.45%	1.13%
Capital Adequacy	14.70%	14.41%	15.44%	17.33%	14.09%	16.60%	2.51%

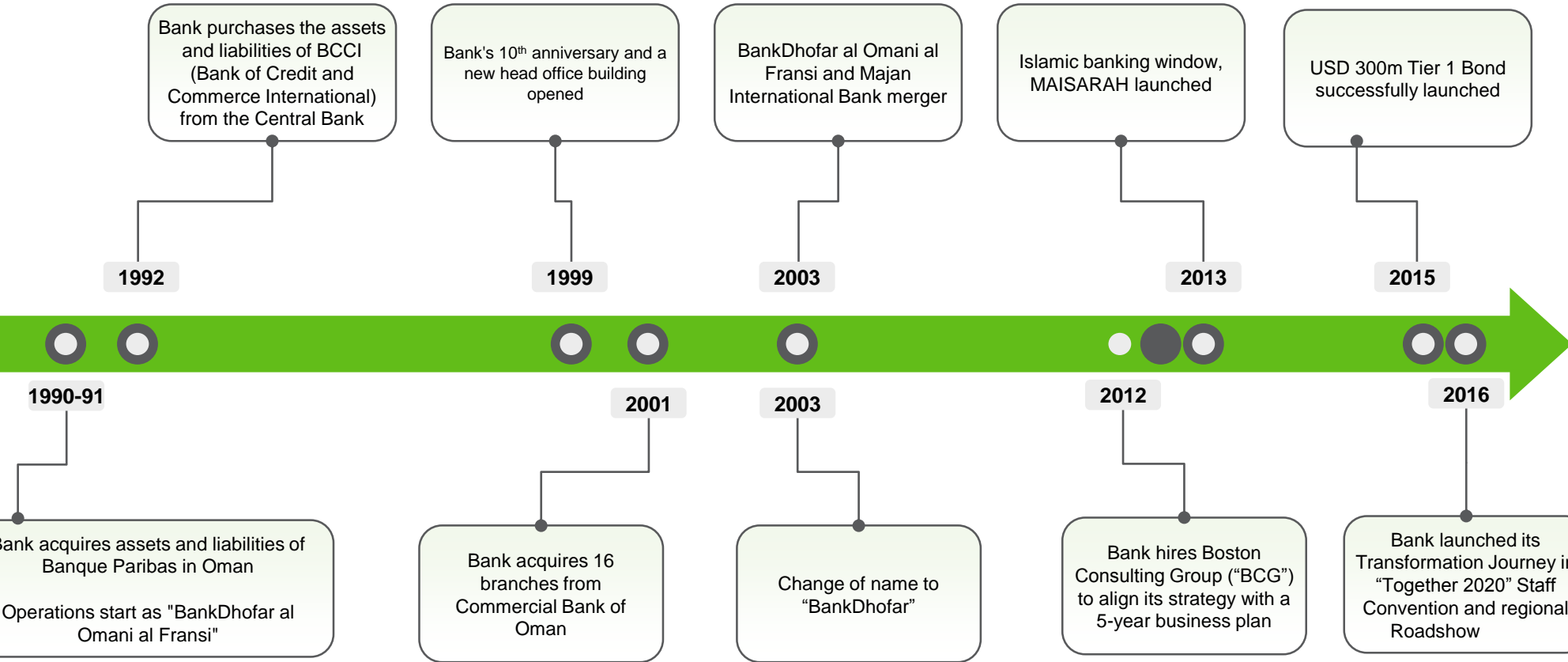
Ownership Structure (as at 30th June 2019)

BankDhofar is listed on the Muscat Securities Market (MSM) with a market capitalisation of USD 1,052 Million as at 30th June 2019



BankDhofar's Historic Evolvement

BANKDHO FAR HAS BEEN SERVING OMANI CUSTOMERS SINCE 1990



Strong Relations with the Omani Government

- ▶ 25% Government ownership in the Bank enabling strong relations with local government departments.
- ▶ Supplier of banking services and products to the employees of the Ministry of Education, the Ministry of Health and the Ministry of Defense.

Strong Asset Quality

- ▶ Continued improvement in asset quality with a relatively low Net* NPL ratio at 1.97% as at 30th June 2019 (*Net of interest reserve and ECL provision); Net NPL before ECL provision 3.62%.
- ▶ Conservative lending policy has allowed the Bank to achieve a continued decline in non-performing loans and limited formation of new NPLs.
- ▶ Prudent lending policy.

Robust Corporate Governance and Risk Management Culture

- ▶ Particular focus on maintaining the highest standards of corporate governance with a well-established Risk Management framework.

Islamic Banking Window

- ▶ Introduction of MAISARAH in March 2013 offering Shari'ah compliant products and services to retail and corporate customers.
- ▶ One of the fastest growing Islamic banking windows in Oman in asset book and customer base.
- ▶ Best Islamic Retail Bank Oman 2017 – Maisarah Islamic Banking by Global Banking & Finance Review
- ▶ Best Islamic bank in Oman - Maisarah Islamic Banking Services at the Middle East Banking Awards 2017 and 2018 (EMEA Finance).
- ▶ Most innovative Islamic Bank in Oman by the International Finance Banking in 2018.



Developed & Diversified Distribution & Delivery Channels

- ▶ Products offered through a large number of delivery channels (71 branches, 191 ATMs/CDM/FFM made up of 121 ATMs, 56 CCDMs and 14 FFM as at 30th June 2019) alongside innovative technology.
- ▶ Focus on determining optimal channel mix to customers that will maximize revenue (or reduce costs) without reducing customer satisfaction or engagement
- ▶ Actively reduce its retail customer servicing costs, where possible, by offering alternatives to the traditional branch network including internet banking, mobile banking

Operating Performance and Profitability

- ▶ Strong financial performance has helped Bank Dhofar expand the network strategically across Oman.
- ▶ Net profit for the quarter ended 30th June 2019 Decreased by -20.99% USD 51.2M. (vs. Jun-18 USD 64.6 M.).

Strong Brand Recognition

- ▶ Well recognized brand in the Omani market, reflecting high-quality customer service and established track record in retail banking, corporate banking.
- ▶ Proven track record in offering innovative and reliable products across business segments.

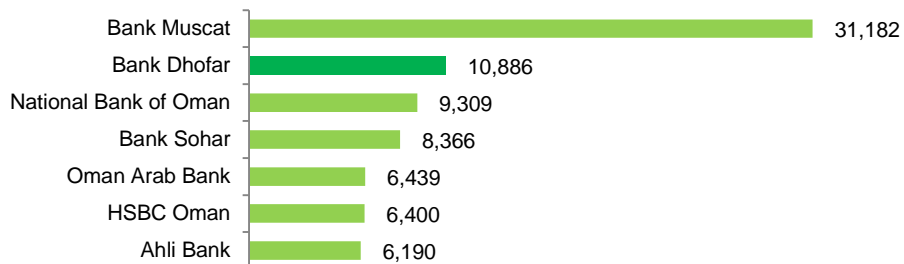
Experienced Management

- ▶ Experienced and dedicated management team with many years of regional and global experience with leading financial institutions in both conventional banking and Islamic finance.

Omani Banking Sector Comparison

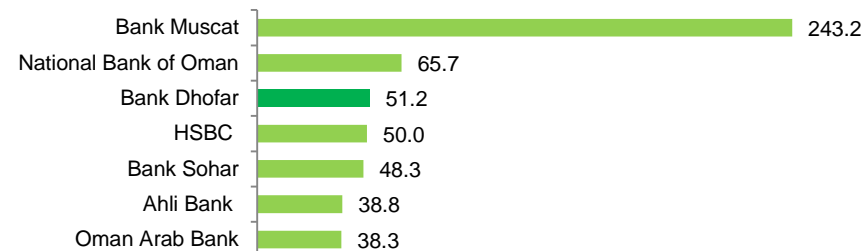
TOTAL ASSETS

USD million, 30th June 2019



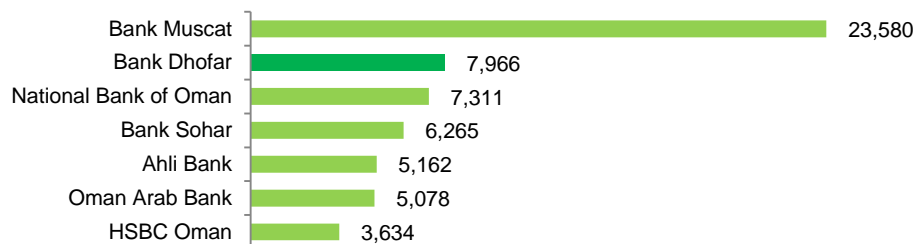
NET PROFIT

USD million, 30th June 2019



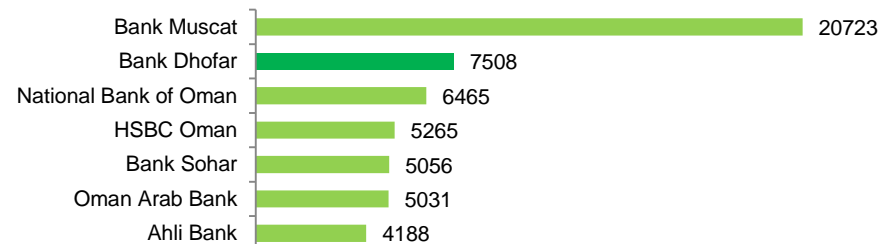
NET LOANS

USD million, 30th June 2019



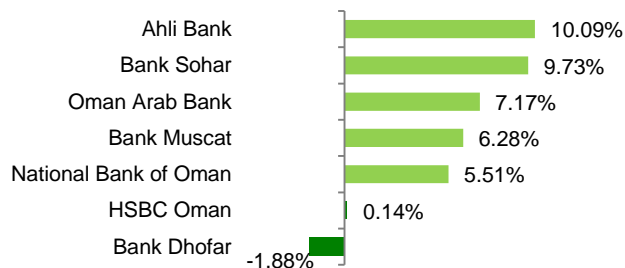
TOTAL CUSTOMER DEPOSITS

USD million, 30th June 2019



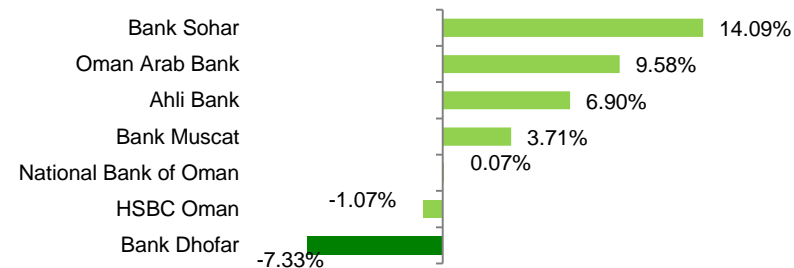
NET LOANS GROWTH

30th June 2019



CUSTOMER DEPOSIT GROWTH

30th June 2019



Conversion Rate: 1.00 OMR = 2.5974 USD

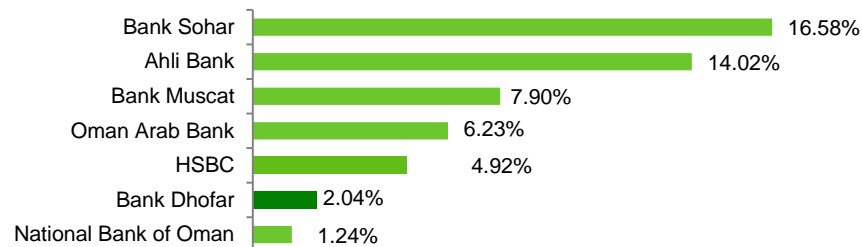
Source: Banks' Annual & Quarterly Reports

Comparison includes only MSM listed banks, Excluding Islamic banks

Omani Banking Sector Comparison

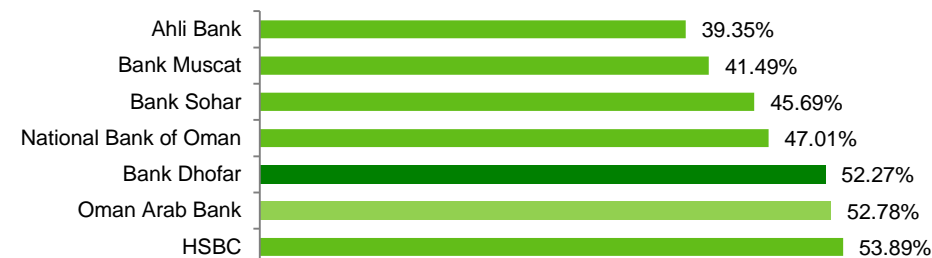
OPERATING INCOME GROWTH

Per cent., 30th June 2019



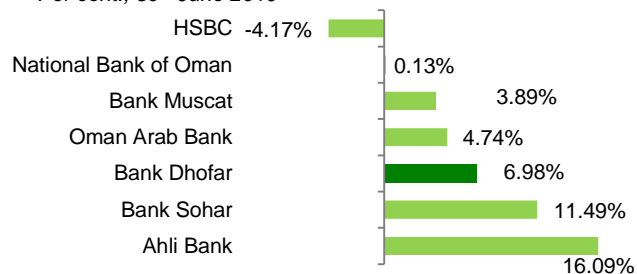
COST TO INCOME RATIO

Per cent., 30th June 2019



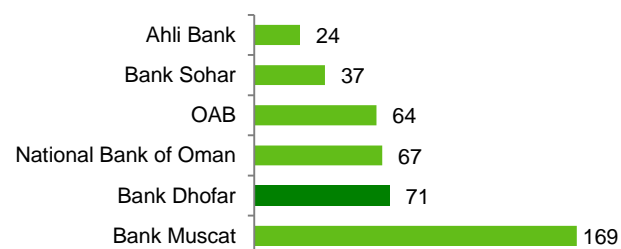
OPERATING COST INCREASE

Per cent., 30th June 2019



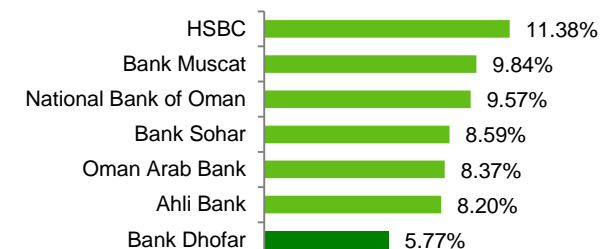
BRANCHES (Domestic)

30th June 2019



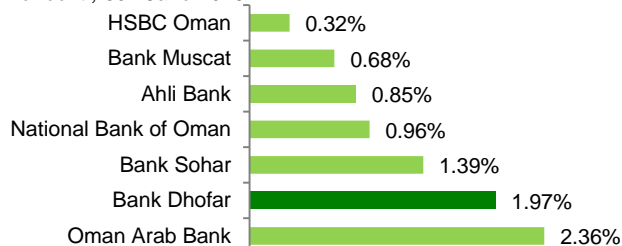
RETURN ON EQUITY

Per cent., 30th June 2019



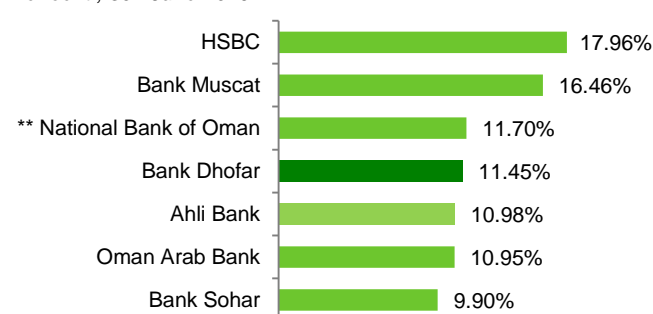
Net NPL RATIO

Per cent., 30th June 2019



CET 1 RATIO

Per cent., 30th June 2019



CAPITAL ADEQUACY RATIO

Per cent., 30th June 2019



Conversion Rate: 1.00 OMR = 2.5974 USD

Source: Banks' Annual & Quarterly Reports

Comparison includes only MSM listed banks, Excluding Islamic banks

* NPL Ratio (NPA Less Interest reserve & IFRS-9 S3 ECL/Gross Loans)

** Dec-18 values considered for NBO

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Sultanate of Oman - Overview

Overview

- ▶ **2nd largest country in the GCC** with an area covering approximately 309,500 km². Strategically placed on the Arabian Gulf, Oman is divided into eleven main governorates and shares borders with Saudi Arabia and UAE.
- ▶ **Stable Political System** - Monarchy led by His Majesty Sultan Qaboos bin Said Al Said.
- ▶ **Population of 4.66mn** - predominantly represented by Omani Nationals who account for 55% of the total population.
- ▶ **Resilient and Solid Economy** – focus on long-term planning with the implementation of a five-year economic development strategy plan.
- ▶ **“Vision 2020”** - government led diversification program aiming at reducing economic reliance on hydrocarbon sector’s contribution to GDP

Key Figures



Key Indicators	2018	2017
Sovereign Ratings (Moody's / S&P / Fitch)	Ba1/BB/BBB-	Baa3/BB/BBB-
Gross Domestic Product	USD 72.47 bn	USD 66.75 bn
Foreign Assets	USD 16.10 bn	USD 20 bn
Government Debt (% of GDP)	31.4%**	12.8%***

Source: Central Bank of Oman website, Rating Reports: Moody's and S&P as of February 2016

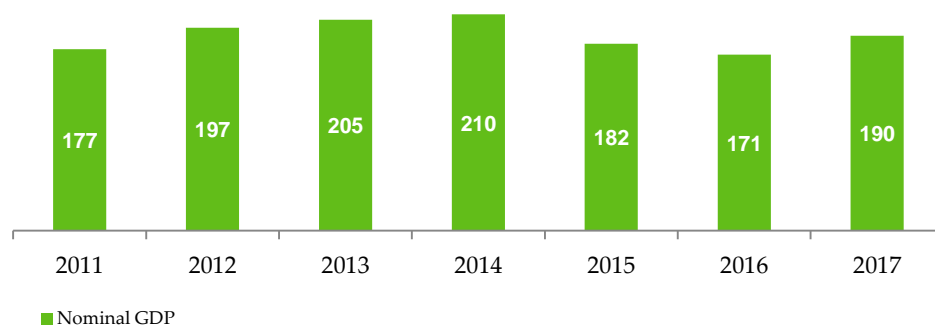
(1)2015 figure represents an average of: S&P 8.1% and Moody's 11.2% estimates

* Provisional

** As of 31-Dec-2016

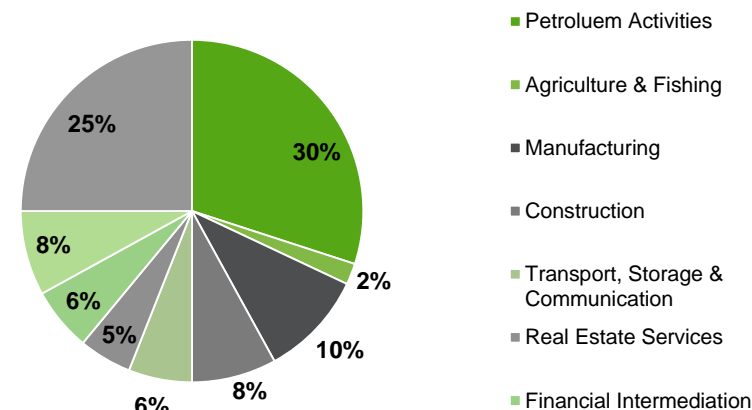
Nominal GDP

USD billion



GDP Composition (2017)

2017



Overview

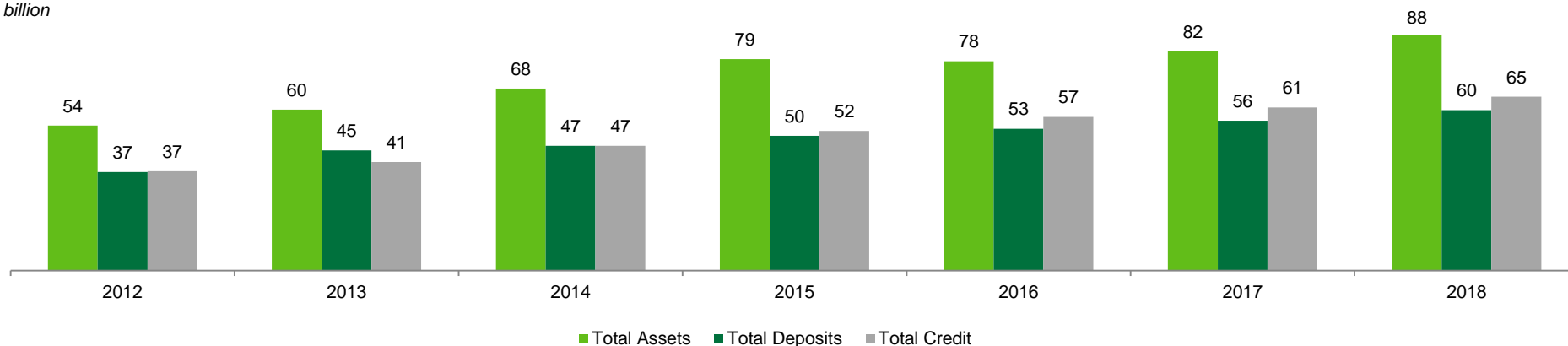
Commercial and Islamic Banks (Dec 2016)	Total = 18, of which <ul style="list-style-type: none"> • 7+2 locally incorporated • 9 branches of foreign banks
Other Financial Services Providers (Dec 2014)	Total = 8 of which <ul style="list-style-type: none"> • 2 govt. owned specialised banks • 6 leasing companies
Commercial Banking Assets (Dec 2018)	USD 88 bn
Commercial & Islamic Bank Branch Network (Dec 2018)	512 branches
Commercial Bank ATMs/CDMs (Aug 2018)	1,288 ATMs 225 CDMs
Full Islamic Banks (Dec 2018)	2

Oman / GCC Banking Sector Resilient to Oil Price Shocks

- ▶ Risks of falling oil prices to the Oman and GCC banking systems are limited by:
 - ▶ Implementation of Basel III regulation in effect from January 2014
 - ▶ Conservative Central Bank of Oman
 - ▶ Adequate bank capitalization levels.
 - ▶ Stable profitability despite declining oil prices as the non-oil sector continues to post solid growth.
 - ▶ Low non-performing loans and improving asset quality.
 - ▶ Deposit-based funding and significant liquidity buffers.
 - ▶ Large government infrastructure development goals which continue to support credit growth.

Oman Commercial Banking Assets, Deposits and Credit

USD billion



* Provisional, Source : CBO Dec-18 Monthly bulletins

Source: BankDhofar's Central Bank of Oman, along with GCC Central Bank reports, Moody's Country Reports and S&P BICRA Reports

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Long Term Strategic Goal:

Aim in delivering one of the best-amongst-peers customers' experiences and streamlining its products and services and implement its "Together 2020" strategy in becoming the best bank in the gulf region

Customer Experience

- ▶ Ensure promptness of the delivery of services.
- ▶ Tailor made product offerings to customers.
- ▶ Active monitoring of customer satisfaction levels.

Brand

- ▶ Close monitoring of the effectiveness of marketing initiatives and the perception of brand.
- ▶ Emphasis of its strengths to customers, including the speed and variety of channels of delivery of service.

Performance Based Culture

- ▶ Focus on
 - setting clear objectives for staff
 - encouraging a high quality performance-based culture
 - monitoring performance regularly
- ▶ Implementation of a Bank-wide balance scorecard.

Lean Operating Model

- ▶ Efforts to consolidate branches and position ATMs in strategic locations throughout Oman.
- ▶ Consolidate teams and operations in order to drive efficiency.
- ▶ Evaluating all operations and trying to implement the easiest and fastest way from customer perspective.

Implementation of Strategy: Key Themes

- | | |
|--|---|
| <ul style="list-style-type: none"> ✓ Achieve growth through inorganic expansion ✓ Identify, penetrate and develop new and existing market and customer segments ✓ Achieve efficiency of capital and improve cost of funding ✓ Leverage and optimise distribution | <ul style="list-style-type: none"> ✓ Maximise cross-selling opportunities ✓ Continue to expand Islamic banking capabilities ✓ Develop project financing capabilities ✓ Maintain and develop relationships with the Omani Government and Government-related entities |
|--|---|

Organizational Structure

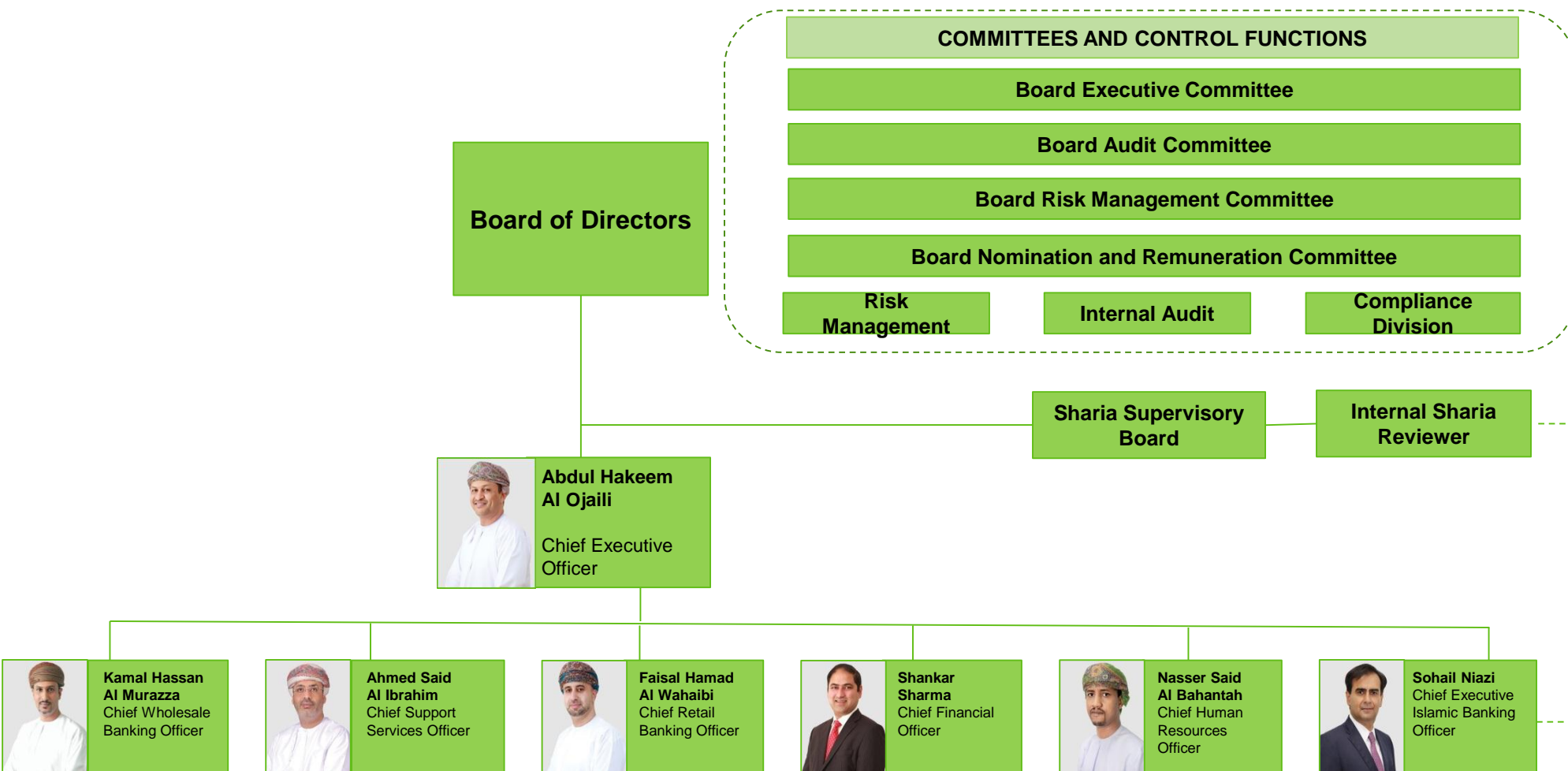


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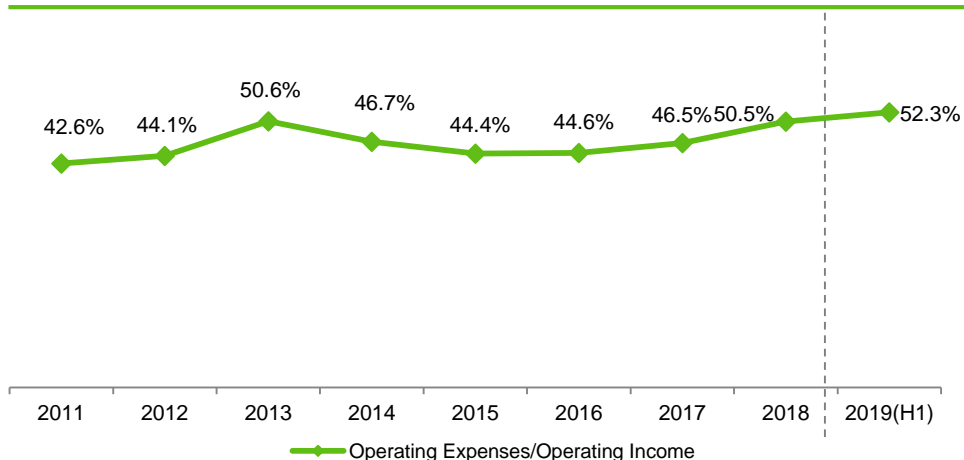
Profitability and Operating Performance

Highlights

Financial Performance

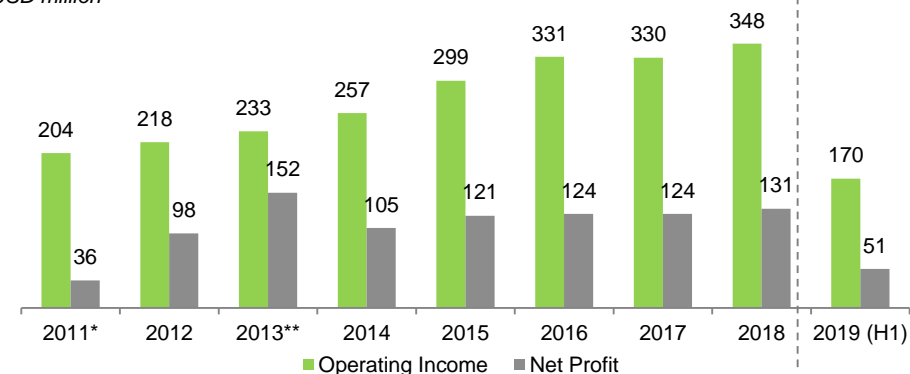
- Net profits reported for the quarter ended 30th June 2019 was USD 51.20 mn. compared to USD 64.80 mn. reported during the same period in 2018.
- Operating Income reported for the quarter ended 30th June 2019 was USD 170.231 mn. compared to USD 166.825 mn. reported during the same period in 2018, a 2.04 percent increase.
- Operating Income has been on a consistent upward trajectory for the last 6 years, reflecting solid growth in the underlying business with an incline of 2.04 percent reported for the quarter ended 30th June 2019 compared to the same period in 2018.
- Cost to Income ratio as 30th June 2019 is within the historical range at 52.3%.

Cost to Income Ratio



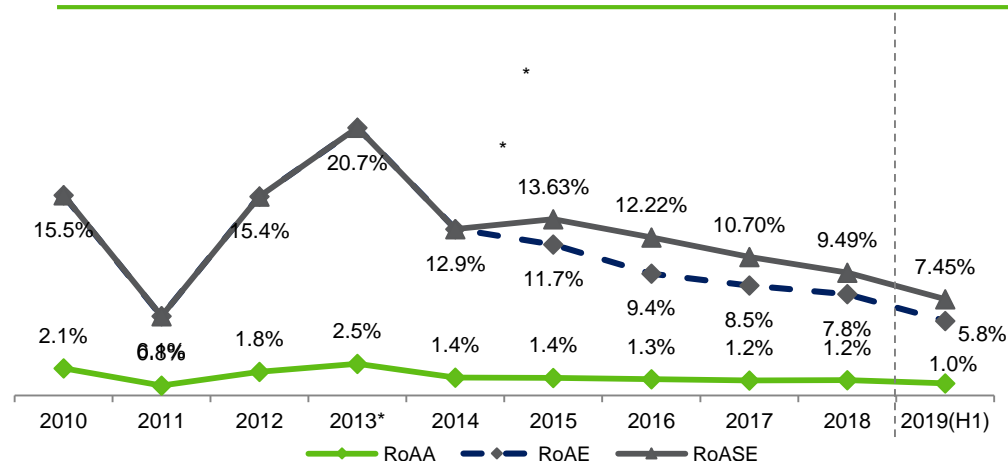
Profitability

USD million



- * 2011 includes legal case loss charge off of OMR 26 million.
- ** 2013 includes recovery from the legal case of OMR 26 million. The Net Profits excluding the legal case recovery in 2013 was OMR 35.4 million.

Annualised Return on Average Assets, Equity & Shareholders Equity (%)



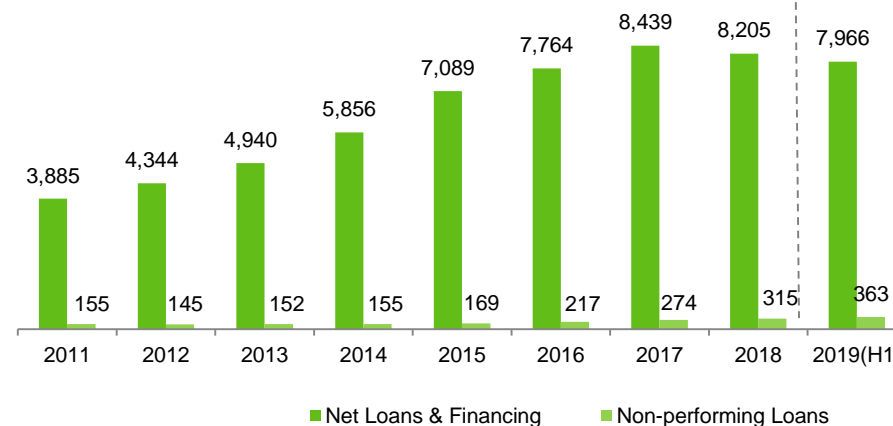
- * 2013 includes recovery from the legal case of USD 67.86mn. Excluding the legal case recovery RoAA was 1.5% and RoAE was 12.5%.

Highlights

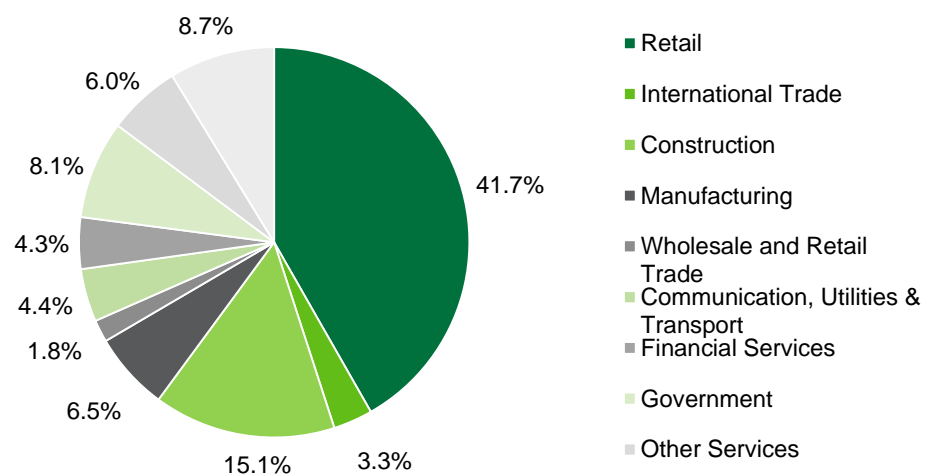
- ▶ BankDhofar has witnessed a strong balance sheet growth in terms of total assets, loans and deposits over the years.
- ▶ Stable loan book growth
 - Conservative lending approach
- ▶ Diversified loan portfolio across sectors.
- ▶ Prudent provisioning for impaired assets.
- ▶ Strong asset quality with declining NPL Ratio.

Loan & Financing Portfolio

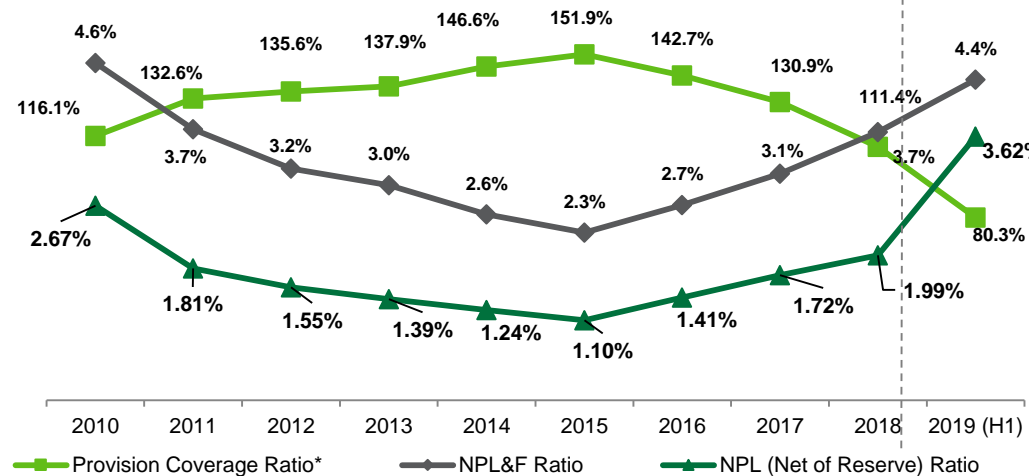
USD million



Breakdown of Gross Loans by Sector (31st Dec 2018)

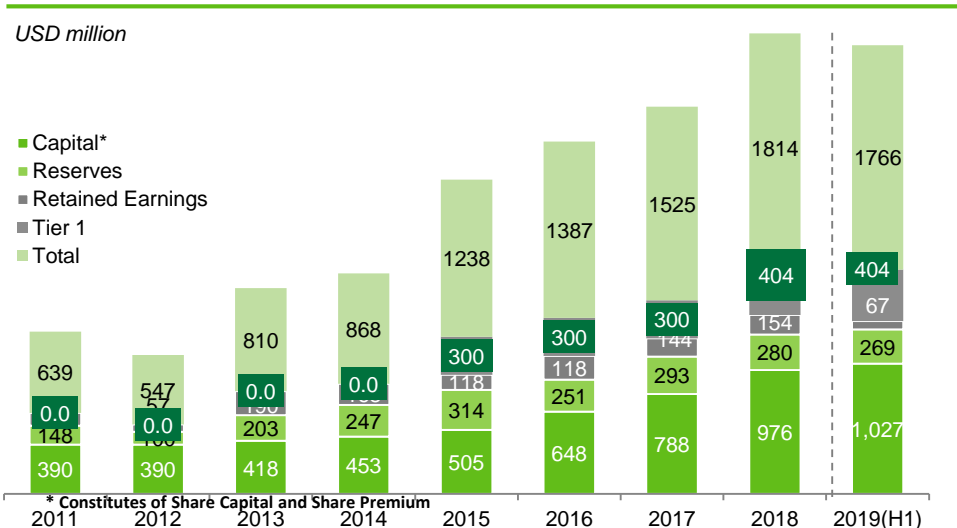


Non-Performing Loans & Financing

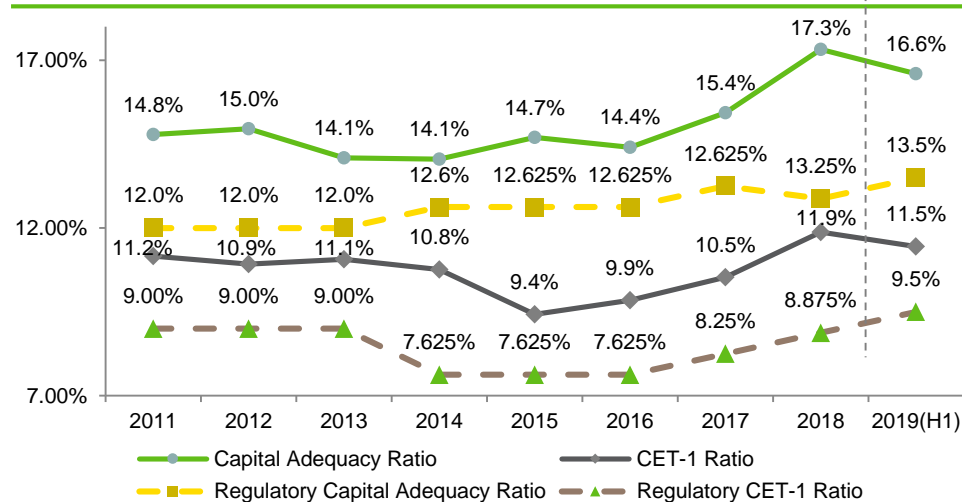


Capitalisation Overview

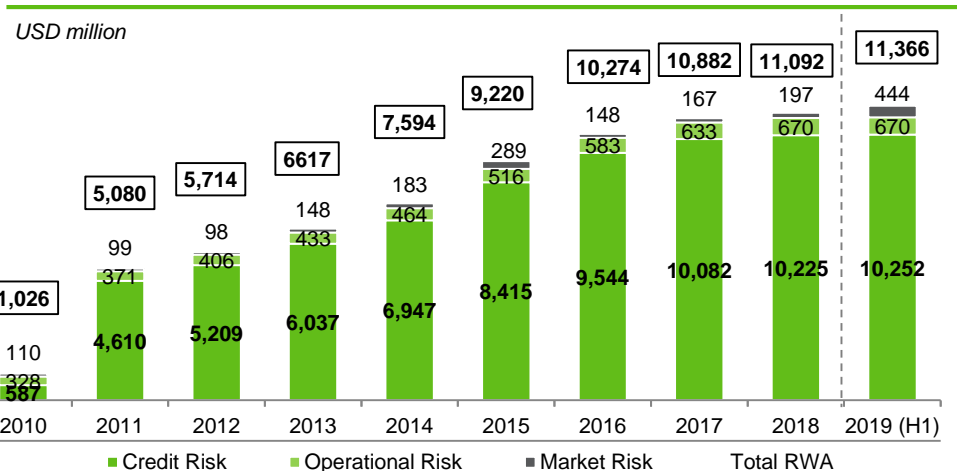
Total Equity Breakdown



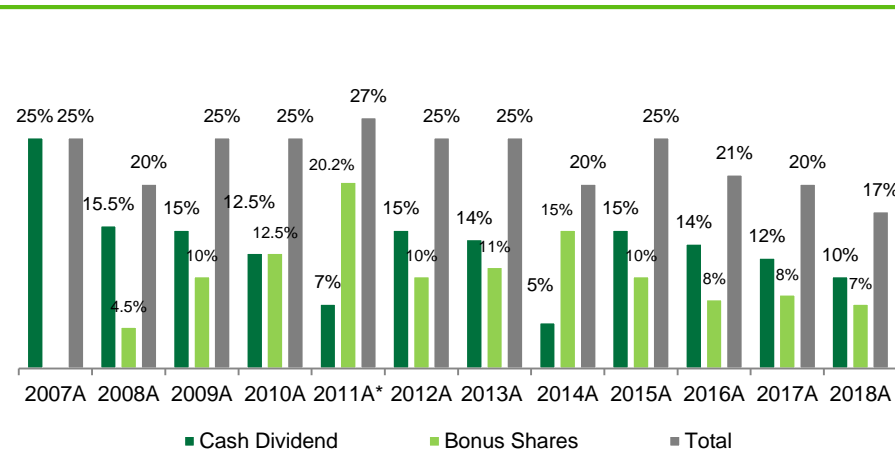
Capital Ratios vs. Regulatory Capital Requirements



Risk Weighted Asset Breakdown



Dividend Pay out and Bonus Shares

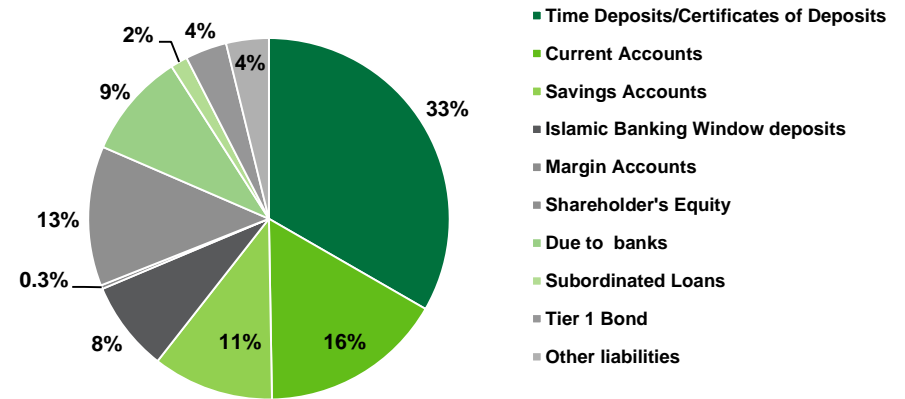


* 2011 Bonus from Share Premium Account

Highlights

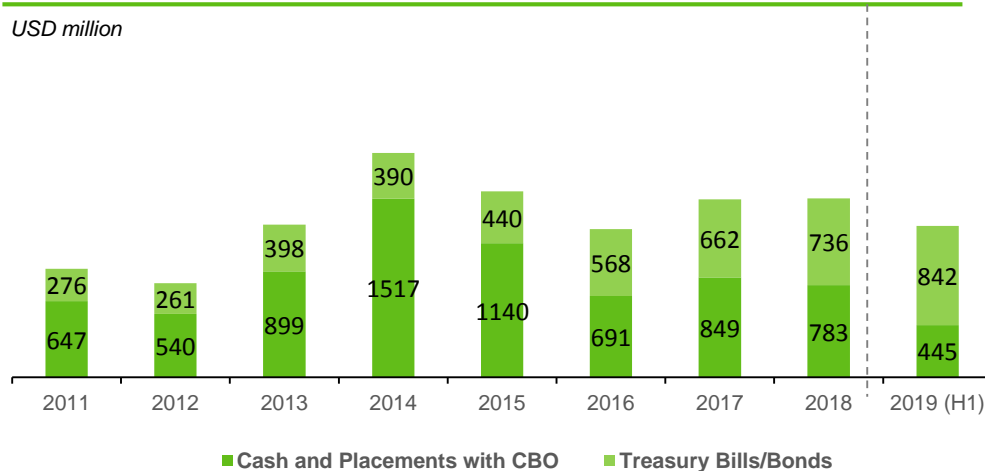
- ▶ Stable funding structure with a diversified funding base.
- ▶ Sufficient liquidity
- ▶ The Bank holds a portfolio of highly liquid investment securities which consists primarily of treasury bills issued by Central banks

Funding Mix (USD 10,884 bn as at 30th June 2019)



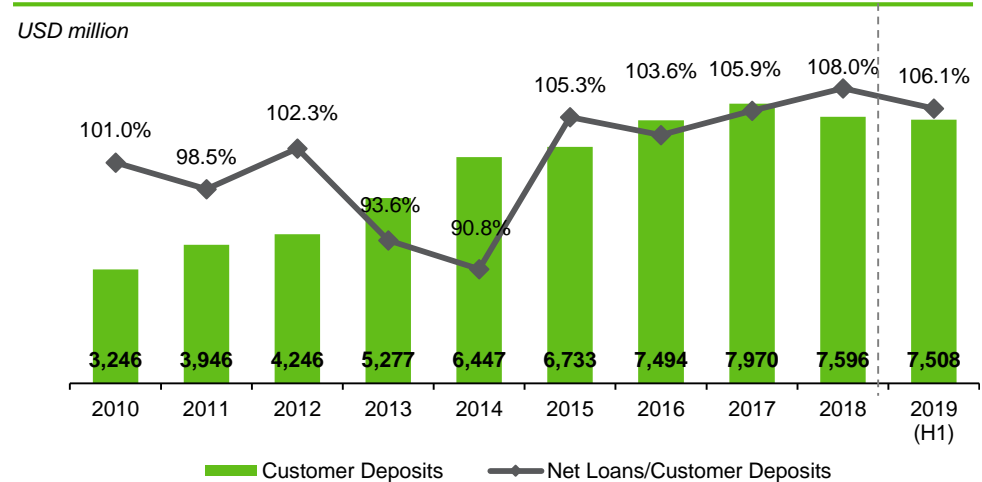
Overview of Liquidity

USD million



Customer Deposits and Loan to Deposit Ratio

USD million



Business Segments

Retail and Wholesale Banking represents the Bank's largest business segments, collectively contributing to 80% of the total assets and 86% of the operating income (as at 30th June 2019).

Retail Banking (Consolidated)

- ▶ Provides banking services to over 286,000 customers as of 30-Jun-19.
- ▶ Network of 71 branches, 121 ATM, 56 CCDMs, 14 FFMs units as at 30th June 2019.
- ▶ Services offered include deposits, lending, debit and credit cards, priority banking, Hawa ladies banking and bancassurance.

Wholesale Banking (Consolidated)

- ▶ Provides banking services to over 17,000 corporate and SME customers.
- ▶ Wholesale Banking departments consist of corporate banking, business banking, Government banking, Treasury & Financial Institutions, payments and cash management services, corporate advisory and investment banking, projects & MIS department and trade finance (with **one** corporate centre).
- ▶ Services offered include syndicated loans, structured finance, trade finance, working capital finance and term loans.

Treasury and FI (Consolidated)

- ▶ Manages the funding and liquidity requirements.
- ▶ Network of over 200 correspondent banks.
- ▶ Services include treasury and foreign exchange and interest rate hedging instruments.

Islamic Banking*

- ▶ Maisarah offers retail, corporate and treasury Shari'ah-compliant financial services and products, through a network of 10 branches.
- ▶ Deposits as at 30th June 2019 were USD 880 MN (USD 810 mn: 30th June 2018)
- ▶ Gross financing to customers was USD 1,070 mn as at 30th June 2019 (USD 958 mn: 30th June 2018).

June-2019	USD mn	% of Total
Total Assets	3,542	33%
Net Operating Income	65.66	38%
Net Profit	19.22	38%

June-2019	USD mn	% of Total
Total Assets	5,153	47%
Net Operating Income	81.25	48%
Net Profit	18.47	36%

June-2019	USD mn	% of Total
Total Assets	2,189	20%
Net Operating Income	23.29	14%
Net Profit	13.48	26%

Government Banking *

- ▶ Dedicated division to customers in the government sector, which includes Government as well as quasi-government entities.
- ▶ Services offered include deposits, loans, credits and foreign currency exchange.

*For financial reporting purposes, the Bank's business activities are classified within the following operating segments: Retail Banking, Wholesale Banking and Treasury and International Banking (consolidating both Conventional and Islamic Banking figures)

Overview and Strategy

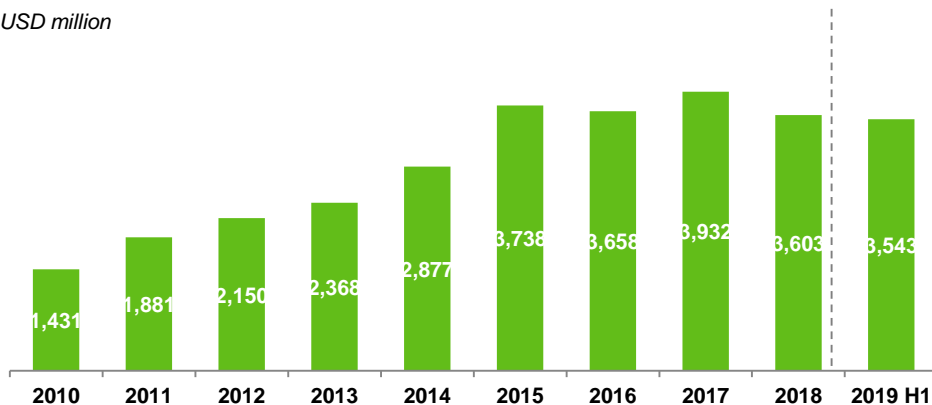
- ▶ Bank Dhofar's Retail Banking products and services are targeted at both Omani and foreign nationals.
- ▶ Key selling points for its retail customers are:
 - The breadth of services and products offered
 - Extended and strategically located branch network
 - Reliable and expanding electronic distribution channels
- ▶ The Bank is actively strengthening its retail customer experience by strongly promoting alternatives to the traditional branch network including internet banking, mobile banking, ATMs, CCDMs and FFM.

Products and Services

- i. **Current, savings and term deposits:** both interest-bearing and non-interest-bearing deposits products, including time deposits, current and call accounts, and savings accounts.
- ii. **Lending:** credit facilities almost exclusively to customers based in Oman, primarily housing loans, personal loans, education loans and car loans.
- iii. **Credit and debit cards:** branded credit and debit cards (including student credit and debit cards) in association with MasterCard and Visa.
- iv. **Priority banking and Hawa ladies banking:** dedicated to high net worth individuals and personalised Hawa ladies banking services.
- v. **Bancassurance:** home, family and motor insurance products in partnership with Oman United Insurance Company.

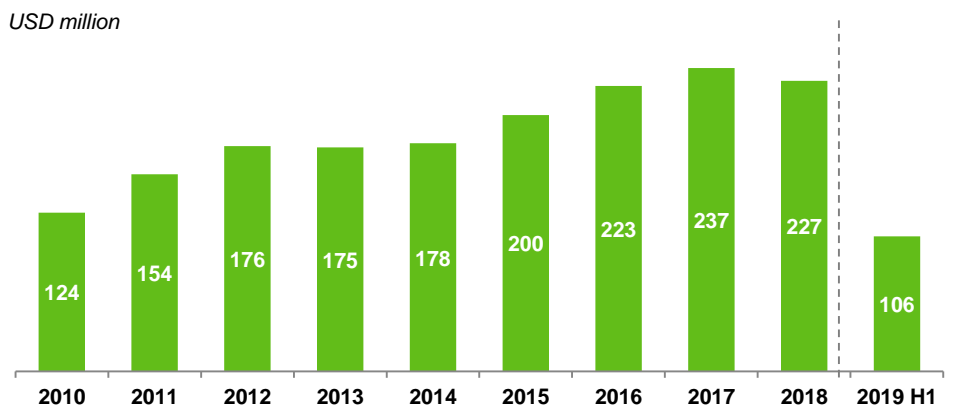
Asset Growth

USD million



Operating Gross Revenue

USD million



Wholesale Banking Group (Consolidated)

Overview and Strategy

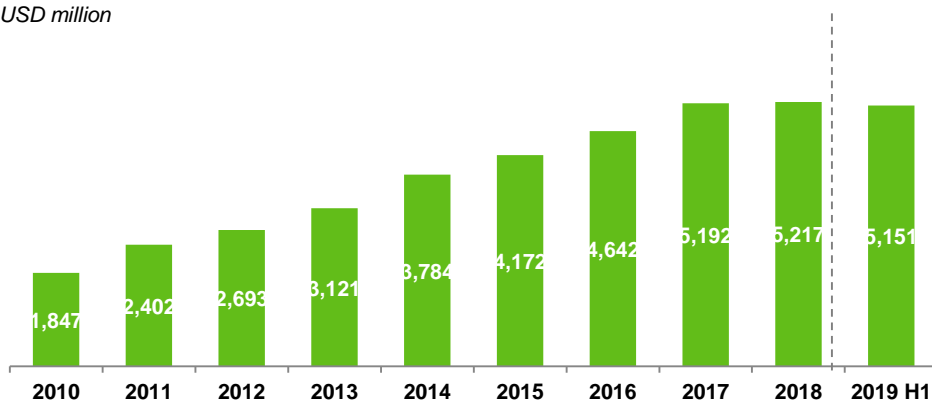
- ▶ Bank Dhofar's Wholesale Banking operations focus on corporates in Oman, predominantly large and mid-cap companies.
- ▶ The Bank seeks to extend its products and services to SME customers across the country by maximising the use of its delivery channels and by leveraging its technology.
- ▶ The Bank also aims to increase its revenue from corporate advisory and investment banking activities in the next three years.
- ▶ Treasury and Financial Institution and Government Banking Groups brought under Wholesale banking umbrella

Products and Services

- Corporate Banking:** provides services and products to large corporate customers including project finance and syndication. The corporate customer base includes trading, manufacturing, services and contracting.
- Business Banking:** provides financing solutions and advisory services to SME customers.
- Payments and Cash Management Services:** offers cash management services and solutions such as collection of revenue, disbursements of expenses and other payables.
- Corporate Advisory and Investment Banking:** advisory services to a variety of industry sectors, including oil & gas, telecommunications and financial institutions.
- Wholesale Banking Projects & MIS:** projects relating to available systems and processes within Wholesale Banking.
- Financial Institution and Trade Finance:** develops and markets products in the trade finance sector such as fund-based and non-fund based credit facilities.

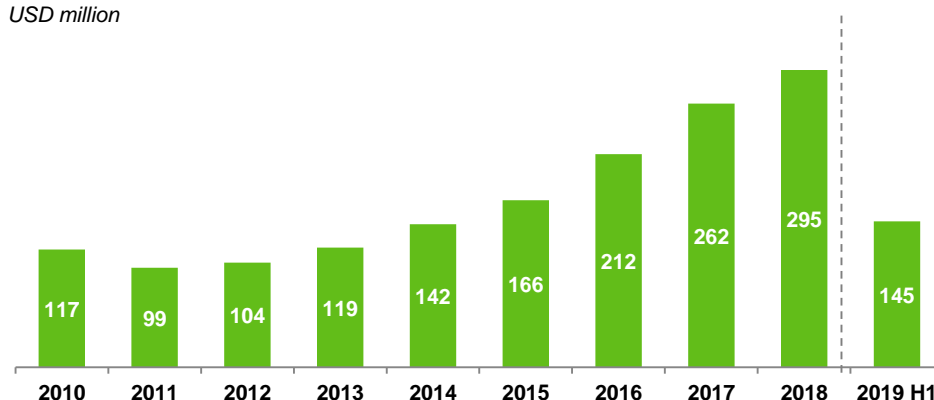
Asset Growth

USD million



Operating Gross Revenue*

USD million



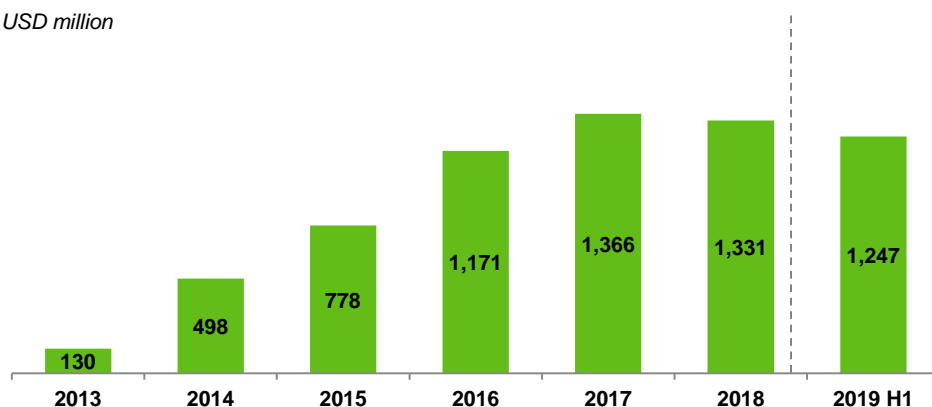
*Decline in 2011 due to a reclassification of certain items between Retail and Wholesale Banking

Overview and Strategy

- ▶ MAISARAH launched in March 2013 to offer Shari'ah-compliant financial services and products to its customers.
- ▶ It aims to be the leader in the provision of Islamic financing solutions for large corporate, mid-sector corporate and SME customers.
- ▶ MAISARAH has also introduced Shari'ah compliant retail banking channels such as ATMs, debit cards and internet banking facilities.
- ▶ MAISARAH also has a dedicated Treasury division which ensures that MAISARAH funds and currency positions are managed prudently by adhering to internal and regulatory limits throughout its business operations
- ▶ Separate Shari'ah Supervisory Board to review MAISARAH's activities and provide necessary guidance. The Bank's Shari'ah Supervisory Board reviews and approves all Islamic banking products prior to their launch and monitors compliance with Shari'ah principles.

Asset Growth

USD million

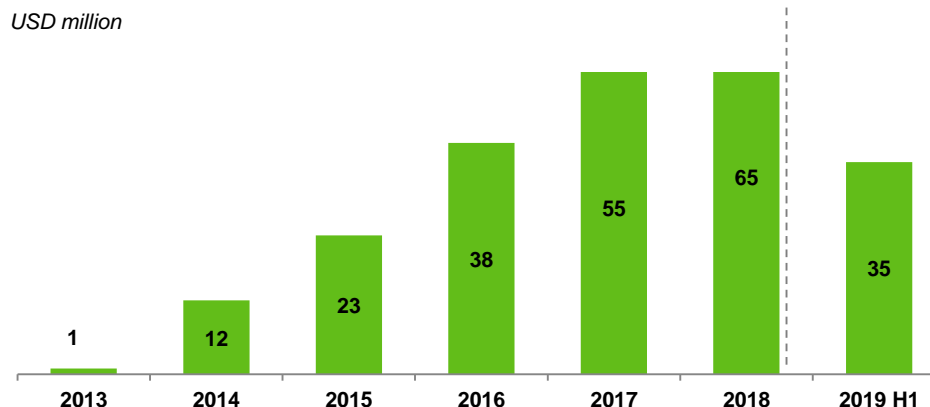


Products and Services

- i. **Saving Account** launched which is based on the Mudharaba contract.
- ii. **Current Account** holders will receive the debit cards and secure cheque books. The contract used is Qard Hassan and is available to individual and corporate customers.
- iii. **Auto Finance** is based on Murabaha concept and helps customer who would like to have Sharia compliant finance to fulfill their personal needs through easy installments.
- iv. **Home Finance** is structured through Ijara contracts and can be used to finance purchase of homes in Oman.
- v. **Fixed Deposit** is a Mudarabah-based deposit product through which you can invest your savings for periods ranging from 1 month to 5 years and earn profit on a periodic basis.
- vi. **Maisarah Corporate Banking** offers a wide range of Shari'a compliant Islamic Banking solutions, including:
 - 1) Diminishing Musharakah
 - 2) Murabaha
 - 3) Trade finance products and other Shari'a compliant products

Operating Gross Revenue*

USD million



Treasury and Financial Institutions Overview

- ▶ Predominantly manages the funding and liquidity requirements of the Bank and monitors the market risk and liquidity risk.
- ▶ Has a sales team which structures and sells treasury and foreign exchange and interest rate hedging instruments to the Bank's customers.
- ▶ Responsible for developing mutually beneficial relationships with financial institutions worldwide.
- i. Foreign Exchange and Derivatives Sales Desk:** offers foreign exchange, commodities and interest rates solutions designed to manage a customer's financial risk.
- ii. Money Market Desk:** manages the Bank's liquidity and is actively involved in lending and borrowing operations with both local and international banks. Also manages the Bank's investment in its equity portfolio (which is comprised primarily of equities in companies listed on the MSM) and its limited investments in local and global investment grade-rated sovereign bonds.
- iii. Interbank Desk:** plays a key role in mitigating the Bank's market risks arising due to customer's foreign currency and derivative transactions through hedging activities.

Government Banking Overview

- ▶ Dedicated government banking division which is tasked with leading the business development initiative with regards to customers in the government sector.
- ▶ Deals with Government departments and authorities to facilitate all of the Government's banking requirements including deposits, loans, credits and foreign currency exchange.
- ▶ The Bank has benefitted from developing relationships with Government entities through obtaining access to large numbers of new retail customers.
- ▶ The Bank is a supplier of banking services and products, including salary transfers and deposit taking, for the employees of the Ministry of Education, Ministry of Health and Ministry of Defence.

Islamic Banking Rewards

- ▶ 'Best Islamic Community Support Bank' 2017 by Global Financial Market Review.
- ▶ Best Islamic bank in Oman - Maisarah Islamic Banking Services at the Middle East Banking Awards 2017 (EMEA Finance)
- ▶ Best Islamic Retail Bank Oman 2017 – Maisarah Islamic Banking by Global Banking & Finance Review.
- ▶ 'Best Islamic Bank in Oman' at the EMEA Finance's Achievement Awards 2016.

Most recent Awards and Accolades



- No. 1 in Large Sized Banks Category at Best Banks Report by Oman Economic Review (OER)



- Best Islamic bank in Oman - Maisarah Islamic Banking Services at the Middle East Banking Awards 2017 (EMEA Finance)



- Best Corporate Banking Institution – Oman in The Business Awards 2017 by MEA Markets



- Best Islamic Retail Bank Oman 2017 – Maisarah Islamic Banking by Global Banking & Finance Review



- The Business Excellence Award from the BIZZ AWARDS (World Confederation of Business) 2018



- Best mobile app from Pan Arab Web Awards 2018



- Best Private Bank Oman 2017 – Bank Dhofar by Global Banking & Finance Review



- Best Bank for Human Resources Oman 2017 by the Global Business Outlook Award 2017



- Straight-Through-Processing (STP) Excellence Award from CITI bank



- Best Digital Bank Oman 2018 from International Business Magazine Award

- Best Business Leaders award to CEO for Bank Dhofar at the prestigious MENA awards 2018

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Balance Sheet

USD millions	2013	2014	2015	2016	2017	2018	2018(H1)	2019(H1)
ASSETS								
Cash and balances with Central Bank of Oman	899	1,517	1,143	691	849	782	728	445
Loans, advances and financing to banks	314	236	358	883	779	855	992	1248
Loans, advances and financing to customers	4,940	5,857	7,088	7,764	8,439	8,205	8119	7966
Investment Securities	462	460	532	662	756	790	831	870
Intangible asset	8	5	5	5	3	3	3	2
Property and equipment	29	26	23	21	26	39	32	47
Other assets	117	195	182	242	179	270	294	310
Total Assets	6,769	8,296	9,332	10,265	11,031	10,943	10,998	10,886
LIABILITIES								
Due to banks	275	455	803	912	1,008	958	777	1,029
Deposits to customers	5,278	6,447	6,732	7,494	7,969	7,595	8,102	7,508
Subordinated loans	195	270	270	140	299	166	166	166
Other liabilities	231	281	288	332	231	410	425	417
Total liabilities	5,979	7,452	8,094	8,878	9,506	9,130	9,470	9,120
SHAREHOLDERS' EQUITY								
Share capital	314	348	400	496	587	727	634	779
Share premium	104	104	104	156	200	249	201	248
Retained earnings	169	145	117	187	143	153	79	67
Other reserves	203	247	314	249	294	278	314	269
Total shareholders' equity	790	844	943	1,088	1,223	1,408	1,228	1,363
Perpetual Tier 1 Capital Securities	-	-	301	301	301	405	301	405
Total Equity	790	844	1,239	1,390	1,525	1,813	1,528	1,766
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	6,769	8,296	9,332	10,268	11,031	10,943	10,998	10,886

* Numbers may not fully add up due to rounding
Conversion Rate: 1.00 OMR = 2.5974 USD
Source: BankDhofar's Annual & Quarterly Reports

Income Statement

USD millions	2013	2014	2015	2016	2017	2018	2018(H1)	2019(H1)
Interest income	260	278	306	369	418	455	221	225
Interest expense	-88	-86	-88	-132	-200	-221	-111	-112
Net interest income	171	192	218	236	221	607	111	114
Net Income from Islamic Financing and Investment Activities	0	8	16	18	23	26	12	13
Fees and Commission Income	26	34	44	47	55	55	26	22
Fees and Commission Expense	-3	-5	-5	-8	-10	-13	-6	-5
Net Fees and Commission Income	23	31	39	39	44	42	20	17
Other Income	36	26	26	39	44	49	24	26
Operating Income	234	257	299	330	330	348	167	170
Operating Expenses	-117	-119	-132	-148	-153	-177	-83	-89
Profit from Operations	114	138	166	184	177	171	84	81
Provisions for impairments, recoveries and write-backs	-57	-18	-31	-42	-31	-18	-6	-21
Profit from Operations after Provisions	171	119	135	140	145	156	77	60
Income Tax Expense	-21	-13	-16	-18	-21	-26	13	9
NET PROFIT FOR THE YEAR	151	104	122	125	125	130	65	51

* Numbers may not fully add up due to rounding
Conversion Rate: 1.00 OMR = 2.5974 USD
Source: BankDhofar's Annual & Quarterly Reports

Thank You