
News Release

29 July 2015

COMMERCIAL INTERNATIONAL BANK (“CIB”) REPORTS SECOND-QUARTER 2015 CONSOLIDATED REVENUE OF EGP 2,384 MILLION AND RECORD NET INCOME OF EGP 1,147 MILLION, OR EGP 1.08 PER SHARE, UP 23% FROM SECOND-QUARTER 2014

🌐 Strong Second-Quarter 2015 Consolidated Financial Results:

- Record net income of EGP 1.15 billion¹, up 23% year-on-year (YoY)
- Revenues of EGP 2.38 billion, up 17% YoY

🌐 Record First-Half 2015 Consolidated Financial Results:

- Record net income of EGP 2.26 billion, or EGP 2.12 per share, up 30% YoY
- Record revenue of EGP 4.97 billion, up 31% YoY
- Efficiency ratio improved to 20.5% from 21.4% in first-half 2014
- Standalone net interest margin of 5.63%, up 22bp from 2014 year-end

🌐 Robust Balance Sheet:

- Total tier capital of EGP 13.3 billion, or 15.21% of risk-weighted assets, of which 93% is high quality Tier I capital
- CBE local currency liquidity ratio of 71.49%, foreign currency of 35.54% (comfortably above CBE requirements of 20% and 25% respectively)
- High quality of funding, with customer deposits comprising 97% of total liabilities
- Standalone non-performing loans coverage ratio of 142%

🌐 Sector-leading First-Half 2014 Returns

- Consolidated return on average equity of 32.2%² versus 29.4% in first-half 2014
- Consolidated return on average assets of 3.0% versus 2.9% in first-half 2014

🌐 Supporting our Economy

- Funding to businesses and individuals grew 12% year-to-date to reach EGP 59.3 billion by June 2015, with a loan market share of 8.52% in April 2015³.
- Deposits increased 17% year-to-date to EGP 143 billion, with deposit market share of 8.15% in April 2015³, up from 7.84% in December 2014
- In second-quarter 2015, CIB's operations generated EGP 808 million in corporate, payroll and other taxes

🌐 Committed to our Community

- The CIB Foundation fulfilled its second instalment for state-of-the-art equipment for the Sohag and Aswan University Hospitals with a total of EGP 5.1 million. Three pediatric intensive care units were opened at the Sohag University Hospital
- The Foundation fulfilled the second instalment for endoscopy equipment for the Mansoura University Children's Hospital
- The Foundation partnered with the Children's Cancer Hospital 57357 to purchase the region's first intraoperative MRI machine for a total cost of USD 1.3 million

¹ Net profit after minority interest

² After 2014 profit appropriation

³ Latest published data by CBE

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- The Foundation disbursed the first payments to the Egyptian Red Crescent for the renovation of the Al-Nahda community health centre and to “MOVE Foundation” for Children with Cerebral Palsy to purchase their current premises
- The Foundation conducted 11 blood donation campaigns in Cairo, Giza, Suez, Sokhna, Damietta and Hurghada collecting 429 bags of blood, and conducted five 6/6 eye exam Caravans in Giza and Beni Suef, providing free eye exams for 2,500 students

Awards & Rankings

CIB received the following recognitions:

- Global Finance’s “Best Trade Finance Provider”, “Best Foreign Exchange Providers”, “Best Bank” and “Best Sub-custodian” in Egypt for the year 2015
- African Banker Awards’ “Trade Finance Deal of the Year” for the year 2015
- Euromoney’s “Best Bank in Egypt” Excellence Award for the year 2015

CAIRO-Commercial International Bank (EGX: COMI) today reported second-quarter 2015 consolidated net income of EGP 1.15 billion, or EGP 1.08 per share, an increase of 23% over second-quarter 2014 net income of EGP 932 million, or EGP 0.85 per share.

Hisham Ezz Al-Arab, Chairman and Managing Director of CIB, commented: “CIB continued its strong performance in the second-quarter, turning in record consolidated first-half top and bottom lines of EGP 4.97 billion and EGP 2.26 billion, an annual increase of over 30%.

“Loans continued their growth trend, with our loan portfolio adding EGP 6.2 billion in the first-half, a 12% year-to-date increase, with 75% coming from corporate clients. Balance sheet growth was driven by strong deposit performance that added EGP 21 billion (17%) in the first-half of 2015. The bank gained market share in both local and foreign currency deposits. More impressively, this growth was achieved while protecting our margins and spreads: NIM hit a record 5.63%, up 22bp from 2014, helping boost our consolidated return on average equity to 32.2%, the highest in the last 5 years. CIB also maintained its strong financial position with market leading asset quality and a comfortable liquidity position”.

SECOND-QUARTER CONSOLIDATED FINANCIAL HIGHLIGHTS

REVENUES

Second-quarter consolidated revenues were EGP 2.38 billion, up 17% from EGP 2.04 billion achieved in second-quarter 2014. Growth was driven by 34% increase in net-interest income.

Second-quarter standalone revenues were EGP 2.32 billion, up 20% from EGP 1.94 billion achieved in second-quarter 2014.

First-half consolidated revenues were EGP 4.97 billion, up 31% from the EGP 3.79 billion achieved in the first-half 2014. On a standalone basis, the Bank achieved EGP 4.83 billion in revenues for the first-half, 33% over the year-ago period.

Net Interest Income

Year-to-date standalone net interest margin (NIM)⁴ was 5.63%, generating stand-alone net interest income of EGP 3.8 billion, 36% higher than the year-ago period.

⁴ Based on managerial accounts

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Non-Interest Income

Consolidated non-interest income for the first-half was EGP 1.19 billion (24% of revenues), 20% over the year-ago period.

Trade service fees⁴ for first-half 2015 recorded EGP 326 million, 12% over the year-ago period. Trade service net outstanding balances stood at EGP 27.6 billion, up 25% from EGP 22.1 billion in the year-ago period. Dealing room profits were EGP 131 million for first-half 2015.

OPERATING EXPENSE

Consolidated operating expense for second-quarter 2015 was EGP 501 million, up 22% YoY. The consolidated efficiency ratio was 20.8%.

Consolidated operating expense for first-half 2015 was EGP 1.03 billion, up 23% YoY from EGP 833 million. Consolidated efficiency ratio improved to 20.5% versus 21.4% in the first-half 2014. Standalone operating expense for first-half 2015 was EGP 952 million, 26% higher YoY.

LOANS

CIB's total standalone gross loan portfolio was EGP 60 billion at the end of first-half 2015, adding EGP 6.2 billion, or 12%, over year-end 2014, and EGP 1.8 billion, or 3%, on a quarterly basis. CIB maintained the highest loan market share of all private-sector banks at 8.52% as of April 2015.

DEPOSITS

Standalone deposits were EGP 143 billion at the end of first-half 2015, adding EGP 21 billion, or 17%, over year end 2014, and EGP 6.8 billion, or 5%, on a quarterly basis. Deposit market share was 8.15% as of April 2015, maintaining CIB's leading position amongst all private-sector banks.

The consolidated gross loan-to-deposit ratio was 41.5% by the first-half of 2015, versus 44.4% for the comparable year-ago period.

ASSET QUALITY

CIB maintained its resilient asset quality. Standalone non-performing loans represented 4.49% of the gross loan portfolio, covered 142% by the bank's EGP 3.8 billion loan loss provision balance. Loan loss provision expenses for the second-quarter were EGP 228 million.

CAPITAL AND LIQUIDITY

Total tier capital was EGP 13.3 billion in June 2015, or 15.21% of risk-weighted assets (EGP 87 billion). Tier I capital was EGP 12.4 billion, or 93% of total tier capital.

CIB maintained its conservative liquidity position in both local and foreign currencies, remaining comfortably above CBE requirements and Basel III guidelines (the latter on a pro forma basis).

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KEY METRICS AND BUSINESS UPDATES⁵

INSTITUTIONAL BANKING

- #1 private-sector bank in Egypt in terms of revenues, net income, deposits, loans, total assets, book value and market capitalization
- End-of-period gross loans were EGP 48.9 billion, 11% over year-end 2014
- End-of-period deposits were EGP 43.6 billion, 26% over year-end 2014
- Gross outstanding contingent business reached EGP 28.8⁶ billion, 8% over year-end 2014

BUSINESS BANKING

- End-of-period gross loans were EGP 1.5 billion, up 23% over year-end 2014
- End-of-period deposits were EGP 33.2 billion 16% over year-end 2014
- Gross outstanding contingent business reached EGP 1.2 billion⁸, 3% over year-end 2014

RETAIL INDIVIDUALS BANKING

- End-of-period gross loans were EGP 9.7 billion, up 19% over year-end 2014
- End-of-period deposits were EGP 66.2 billion 12% over year-end 2014
- CIB continued to expand its network to reach a total of 142 branches and 25 units throughout Egypt, supported by a network of 619 ATMs and 10,229 points of sale

SECURITIES BROKERAGE, ASSET MANAGEMENT & INVESTMENT BANKING

- **CI Capital** recorded revenues of EGP 148 million in first-half 2015, and net income of EGP 27 million
- **Brokerage** maintained its top rank with a market share of 13.5%, with YoY revenue increase of 15%
- **Assets under management** added 10% YoY. EIMA ranked CIAM's BLOM Bank money market fund and Thabat CIB fixed income fund 1st by 12-month return, Al Thabet Bank Du Caire fixed income fund 2nd, while Osool CIB money market fund ranked 3rd⁷
- **Investment Banking** successfully closed one more IPO this quarter for Orascom Construction Limited

⁵ Loan and deposit balances based on managerial accounts

⁶ On gross basis; based on managerial accounts

⁷ Ranking as of 2 July 2015

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CONSOLIDATED FINANCIAL HIGHLIGHTS

Income Statement	2Q15	1Q15	QoQ Change	2Q14	YoY Change	1H15	1H14	YoY change
	EGP million	EGP million	(2Q15 vs. 1Q15)	EGP million	(2Q15 vs. 1Q15)	EGP million	EGP million	(1H15vs.1H14)
Net Interest Income	1,925	1,856	4%	1,433	34%	3,781	2,802	35%
Non-Interest Income	459	728	-37%	602	-24%	1,187	989	20%
Net Operating Income	2,384	2,584	-8%	2,035	17%	4,968	3,791	31%
Non-Interest Expense	(501)	(527)	-5%	(411)	22%	(1,027)	(833)	23%
Provisions	(228)	(421)	-46%	(175)	30%	(648)	(359)	81%
Net Profit before Tax	1,656	1,636	1%	1,449	14%	3,292	2,599	27%
Income Tax	(591)	(548)	8%	(524)	13%	(1,139)	(850)	34%
Deferred Tax	82	20	303%	8	NM	103	(11)	NM
Net Profit	1,147	1,108	3%	932	23%	2,256	1,738	30%
Minority Interest	(0)	0	-109%	0	NM	0	1	-71%
Net Profit After Minority	1,147	1,108	4%	932	23%	2,256	1,737	30%
Profitability								
ROAE	31.3%	32.06%	-2.4%	30.0%	4.3%	32.2%	29.4%	9.6%
ROAA	2.9%	2.95%	-3.2%	3.0%	-4.7%	3.0%	2.9%	2.3%
Efficiency								
Cost-to-Income	20.8%	20.2%	3.3%	19.7%	5.8%	20.5%	21.4%	-4.3%
Liquidity								
Gross Loans-to-Deposits	41.5%	42.3%	-1.9%	44.4%	-6.5%	41.5%	44.4%	-6.5%
Asset Quality								
NPLs-to-Gross Loans	4.5%	3.7%	23.3%	4.7%	-2.6%	4.5%	4.7%	-2.6%
Capital Adequacy Ratio	15.2%	16.5%	-8.0%	15.7%	-3.4%	15.2%	15.7%	-2.0%

STANDALONE FINANCIAL HIGHLIGHTS

Income Statement	2Q15	1Q15	QoQ Change	2Q14	YoY Change	1H15	1H14	YoY change
	EGP million	EGP million	(2Q15 vs. 1Q15)	EGP million	(2Q15 vs. 1Q15)	EGP million	EGP million	(1H15vs.1H14)
Net Interest Income	1,939	1,870	3.7%	1,434	35.2%	3,808	2,806	36%
Non-Interest Income	379	641	-41%	501	-24.2%	1,021	828	23%
Net Operating Income	2,318	2,512	-7.7%	1,935	20%	4,829	3,634	33%
Non-Interest Expense	(465)	(488)	-4.7%	(365)	27%	(952)	(758)	26%
Provisions	(228)	(421)	-45.9%	(175)	30.3%	(648)	(359)	81%
Net Profit before Tax	1,626	1,602	1.5%	1,395	16.6%	3,228	2,517	28%
Income Tax	(588)	(543)	8.4%	(518)	13.5%	(1,131)	(844)	34%
Deferred Tax	81	20	304.2%	8	NM	101	(10)	NM
Net Profit	1,119	1,080	4%	884	27%	2,199	1,663	32%
Profitability								
ROAE	30.50%	31.14%	-2.1%	28.2%	8.0%	31.28%	27.8%	12.4%
ROAA	2.79%	2.88%	-3.1%	2.86%	-2.3%	2.88%	2.77%	4.3%
NIM ⁴ <small>Error! Bookmark not defined.</small>	5.63%	5.61%	0.3%	5.29%	6.3%	5.63%	5.39%	4.3%
Efficiency								
Cost-to-Income	19.9%	19.2%	3.5%	18.4%	8.2%	19.5%	20.3%	-3.8%
Liquidity								
Gross Loans-to-Deposits	41.9%	42.7%	-1.9%	44.6%	-6.0%	41.9%	44.6%	-6.0%
Asset Quality								
NPLs-to-Gross Loans	4.5%	3.6%	23.3%	4.6%	-3.0%	4.5%	4.6%	-3.0%
Direct Coverage Ratio	142%	171%	-17.0%	142%	-0.2%	142%	142%	-0.2%

BALANCE SHEET

	Consolidated			Standalone		
	Jun-15	Dec-14	YtD Change	Jun-15	Dec-14	YtD Change
	EGP million	EGP million	(June-15 Vs. Dec-14)	EGP million	EGP million	(June-15 Vs. Dec-14)
Cash & Due from Central Bank	12,669	7,502	69%	12,669	7,502	69%
Due from Banks	8,729	9,522	-8%	8,427	9,280	-9%
Treasury Bills & Governmental Notes	26,569	30,549	-13.0%	26,567	30,539	-13%
Trading Financial Assets	6,006	3,763	60%	5,957	3,728	60%
Available-for-Sale Investments	37,578	27,702	36%	37,561	27,688	36%
Net Loans & Overdrafts	54,560	48,804	12%	55,249	49,398	12%
Financial Derivatives	77	52	47%	77	52	47%
Held-to-Maturity Investments	9,764	9,161	7%	9,764	9,161	7%
Financial Investment in Subsidiaries	212	182	17%	565	565	0%
Other Assets	6,986	6,577	6%	5,953	5,734	4%
Total Assets	163,149	143,813	13%	162,788	143,647	13%
Due to Banks	599	1,131	-47%	599	1,131	-47%
Customer Deposits	142,869	121,975	17%	143,015	122,245	17%
Other Liabilities	4,775	5,904	-19%	4,312	5,455	-21%
Total Liabilities	148,243	129,010	15%	147,927	128,831	15%
Total Shareholders' Equity	12,602	11,013	14%	12,662	11,168	13%
Net Profit for the Period	2,256	3,741	-40%	2,199	3,648	-40%
Shareholders' Equity & Net Profit	14,858	14,754	1%	14,861	14,816	0%
Minority Interest	48	49	-2%	-	-	-
Total Liabilities & Shareholders' Equity	163,149	143,813	13%	162,788	143,647	13%