

**Commercial International Bank  
( Egypt ) S.A.E**

**Consolidated  
Financial Position**  
As of March 31<sup>st</sup>, 2007



## Hazem Hassan

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### Review Report

#### To the Board of Directors of Commercial International Bank

We have reviewed the accompanying consolidated financial position of Commercial International Bank (S.A.E.) as of March 31, 2007 and the related consolidated statements of income, cash flow and statement of changes in equity for the financial period then ended. These consolidated financial statements are the responsibility of the Bank's management. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Egyptian Auditing Standard applicable to review engagements. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquires of Bank's personnel and analytical procedures applied for financial data, and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review, nothing come to our attention that cause us to believe that the consolidated financial statements of Commercial International Bank for the period ended March 31, 2007 contain material or significant adjustments that are required to be made so as to make them in accordance with Central Bank of Egypt's rules, pertaining to the preparation and presentation of the financial statements, issued on June 27, 2002 and its ammendments.

The financial information contained in the Board of Directors' report are in agreement with the Bank's accounting records within the limit that such information is recorded therein.

  
Ehab Akl

**KPMG Hazem Hassan**

Public Accountants & Consultants

Cairo, May 10, 2007.

**Commercial International Bank (Egypt) S.A.E.**  
**Consolidated Balance Sheet as of**  
**Mar. 31, 2007**

	<u>Note No.</u>	<u>Mar. 31, 2007</u> <u>EGP</u>	<u>Dec. 31, 2006</u> <u>EGP</u>
<b><u>Assets</u></b>			
- Cash & Due From Central Bank	(4)	4,170,051,259	3,742,876,516
- Due From Banks	(5)	6,150,228,027	5,732,124,959
- Treasury Bills and other Notes Discountable at the CBE	(6)	2,389,291,878	4,063,410,070
- Trading Financial Investments	(7)	965,751,715	901,082,369
- Available for Sale Financial Investments	(8)	2,333,771,750	3,185,837,471
- Brokers - Debit Balances		320,676,707	29,844,377
- Reconciliation accounts- Debit Balances		-	7,582,500
- Loans & Overdrafts (Net Of Provision for Doubtful Debts)	(9&10)	18,871,042,541	17,464,380,824
- Held to Maturity Financial Investments	(11)	555,169,486	822,284,338
- Financial Investments in Subsidiary and Associated Co.	(12)	108,093,933	108,060,063
- Debit Balances & Other Assets	(14)	1,023,610,920	924,226,133
- Good Well	(15)	143,943,869	23,118,175
- Deferred Tax	(25)	41,232,800	40,497,075
- Fixed Assets (Net)	(16)	581,268,927	506,815,867
- <b><u>Total Assets</u></b>		<b><u>37,654,133,812</u></b>	<b><u>37,552,140,736</u></b>
<b><u>Liabilities &amp; Shareholder's Equity</u></b>			
<b><u>Liabilities</u></b>			
- Due to Banks	(17)	364,867,242	1,212,600,639
- Customers Deposits	(18)	32,037,496,387	31,567,391,935
- Brokers- Credit Balances		351,165,730	147,780,530
- Reconciliation accounts - Credit Balances		23,984,096	-
- Dividends & Profit Sharing		15,739,966	-
- Credit Balances & Other Liabilities	(19)	1,020,087,189	806,205,403
- Long Term Loans	(20)	96,636,695	99,166,861
- Other Provisions	(21)	407,102,969	342,342,201
- <b><u>Total Liabilities</u></b>		<b><u>34,317,080,274</u></b>	<b><u>34,175,487,569</u></b>
<b><u>Shareholders' Equity</u></b>			
- Issued & Paid - in Capital		1,950,000,000	1,950,000,000
- Reserves		1,120,770,680	575,072,726
Total Shareholders' Equity	(22)	<b><u>3,070,770,680</u></b>	<b><u>2,525,072,726</u></b>
- Net Profit of the Period		266,282,858	851,580,441
- Total Shareholders' Equity & Net Profit		<b><u>3,337,053,538</u></b>	<b><u>3,376,653,167</u></b>
- <b><u>Total Liabilities &amp; Shareholders' Equity</u></b>		<b><u>37,654,133,812</u></b>	<b><u>37,552,140,736</u></b>
- <b><u>Contingent &amp; Commitments Liabilities</u></b>	(23)	<b><u>10,651,666,938</u></b>	<b><u>6,864,843,585</u></b>

- The Accompanying Notes are an integral part of the Financial Statements " Auditors Report Attached " .

Sahar Mohamed El-Sallab  
Vice Chairman  
& Managing Director

Hisham Ezz El-Arab  
Chairman  
& Managing Director

**Commercial International Bank (Egypt) S.A.E.**  
**Consolidated Income Statement as of March. 31 2007**

	<u>Note No.</u>	<u>Mar. 31, 2007</u> <u>EGP</u>	<u>Mar. 31, 2006</u> <u>EGP</u>
- Interest Received from Clients & Banks		544,359,002	372,883,578
- Interest Received from Treasury Bills & Bonds		144,553,542	152,176,495
Deduct			
- Interest Paid to Clients & Banks		(433,627,781)	(309,937,303)
<b>Net Interest Income</b>		<b>255,284,763</b>	<b>215,122,770</b>
- Banking Fees & Commissions		160,338,616	90,927,315
- Shares Dividends		20,008,074	410,621
- Foreign Exchange Profits	(24)	21,528,252	19,695,858
- Profits From Selling Financial Investments		31,366,737	26,169,824
- Trading Financial Investments Revaluation Differences		(1,855,885)	12,694,596
- Other Income		9,899,031	7,386,845
<b>Total Fee Income</b>		<b>241,284,826</b>	<b>157,285,059</b>
<b>Net Operating Income</b>		<b>496,569,589</b>	<b>372,407,829</b>
 <b><u>Deduct</u></b>			
- Provisions		(81,875,225)	(39,732,000)
- Other Financial Investments Revaluation Differences	(25)	31,939,236	(2,135,438)
- Assets Impairment		(71,212)	
- General & Administrative Expenses & Depreciation		(135,481,361)	(106,389,603)
- Other Expenses		(18,295,197)	(16,824,793)
		<u>(203,783,760)</u>	<u>(165,081,834)</u>
<b>Net Operating Profits</b>		<b>292,785,829</b>	<b>207,325,995</b>
- Non_Operating Income		-	-
<b>Net Profit Before Tax</b>		<b>292,785,829</b>	<b>207,325,995</b>
- Income Tax	(26&27)	(26,593,018)	(19,621,647)
- Deferred Tax	(26&27)	791,975	(141,488)
<b>Net Profit After Tax</b>		<b>266,984,786</b>	<b>187,562,860</b>
- Minority Interest		(701,928)	
<b>Net Profit</b>		<b>266,282,858</b>	<b>187,562,860</b>
- Earning Per Share	(28)	1.21	0.85

  
**Sahar Mohamed El-Sallab**  
Vice Chairman  
& Managing Director

  
**Hisham Ezz El-Arab**  
Chairman  
& Managing Director

**Commercial International Bank (Egypt) S.A.E.**  
**Consolidated Cash flow as of**  
**March. 31,2007**

	<b><u>Mar. 31, 2007</u></b>	<b><u>Mar. 31, 2006</u></b>
	<b><u>EGP</u></b>	<b><u>EGP</u></b>
<b><u>Cash Flow From Operating Activities</u></b>		
- Net Income before tax	292,785,830	207,325,995
<b><u>Adjustments To Reconcile Net Income</u></b>		
<b><u>To Net Cash Provided by operating activities</u></b>		
- Depreciation	28,426,051	20,896,464
- Provisions (Addition during the period)	81,875,225	39,732,000
- Trading financial investments evaluation differences	1,855,885	(12,694,596)
- Other financial investments evaluation differences	(31,939,236)	2,135,438
- Utilization Of Provisions (except provision for doubtful debts)	-	900
- FCY revaluation Differences of Provisions Balances except doubtful debts	(112,232)	145,889
- Gains From Selling Fixed Assets	-	-
- Profit From Selling financial Investments	(28,856,813)	(26,169,824)
- Income tax paid	-	-
- FCY revaluation diff.of Long Term Loans	199,581	484,438
<b>Operating Profits Before Changes in</b>		
<b>Operating Assets &amp; Liabilities</b>	<b>344,234,291</b>	<b>231,856,703</b>
<b><u>Net Decrease (Increase ) in Assets</u></b>		
- Due From Banks	(613,996,981)	(26,430,261)
- Treasury Bills and other Notes Discountable at the CBE	1,672,676,608	389,620,937
- Trading financial Investments	-66,589,823	309,288,989
- Available for sale financial investments	912,206,517	(782,624,198)
- Loans & Overdrafts	(1,373,678,203)	(319,236,990)
- Debit Balances & Other Assets	(443,647,267)	(210,239,099)
<b><u>Net Increase (Decrease) In Liabilities</u></b>		
- Due to Banks	(855,456,302)	(224,596,032)
- Customers Deposits	437,269,189	1,328,778,019
- Credit Balances & Other Liabilities	365,813,448	(331,013,658)
-		
<b>Net Cash Provided from Operating Activities</b>	<b>378,831,477</b>	<b>365,404,410</b>

**Commercial International Bank (Egypt) S.A.E.**  
**Consolidated Cash flow as of**  
**March. 31,2007**

	<b><u>Mar. 31, 2007</u></b>	<b><u>Mar. 31, 2006</u></b>
	<b><u>EGP</u></b>	<b><u>EGP</u></b>
<b><u>Cash Flow From Investment Activities</u></b>		
- Purchases Of subsidiaries & associated companies	(144,987,792)	(6,290,000)
- Prepaid for Fixed Assets , Premises and Fitting- out of Branches	(96,834,856)	(76,937,289)
- Purchases Of Held to maturity financial Investments	267,114,852	67,718,159
<b>Net Cash (Used in ) Investment Activities</b>	<b>25,292,203</b>	<b>(15,509,130)</b>
<b><u>Cash Flow From Financing Activities</u></b>		
- Decrease in Long - Term Loans	(2,729,747)	3,022,306
- Dividends Paid	(287,235,147)	(70,165,754)
- Reserve for investment Revaluation Diff.	(145,624)	(106,366)
- Capital Paid	75,305,921	
<b>Net Cash (Used in ) Financing Activities</b>	<b>(214,804,597)</b>	<b>(67,249,814)</b>
 Net cash & cash equivalent changes	 189,319,083	 282,645,466
- Beginning Balance of cash & cash equivalent	4,346,645,260	3,401,951,193
<b>- Cash &amp; Cash Equivalent Balance At the End of the period</b>	<b>4,535,964,343</b>	<b>3,684,596,659</b>
 <b><u>Cash &amp; Cash Equivalent are Represented as Follows :</u></b>		
- Cash and Due from Central Bank	4,170,051,260	3,041,036,153
- Due from Banks	6,149,751,326	3,386,367,207
- Treasury Bills and other Notes Discountable at the CBE	2,385,578,737	3,469,728,070
- Due from Banks (Time Deposits)	(5,933,753,562)	(3,346,105,606)
- Treasury Bills with maturity more than three months	(2,235,663,417)	(2,866,429,165)
<b>Total Cash &amp; Cash Equivalent</b>	<b>4,535,964,343</b>	<b>3,684,596,659</b>

Commercial International Bank (Egypt) S.A.E  
Consolidated Statement of changes in  
Shareholders' Equity as of  
March. 31, 2007

<u>2006</u>	<u>Capital</u> <u>EGP</u>	<u>Legal Reserve</u> <u>EGP</u>	<u>General Reserve</u> <u>EGP</u>	<u>Special Reserve</u> <u>EGP</u>	<u>Reserve for investment</u> <u>Revaluation Diff.</u> <u>EGP</u>	<u>Undivided Profit</u>	<u>Profits of the Year</u> <u>EGP</u>	<u>Total</u> <u>EGP</u>
- Balance at beginning of The Year	1,300,000,000	331,128,634	723,775,555	162,709,903	9,646,006	-	-	2,527,260,098
- Capital Increase	650,000,000		(650,000,000)					-
- Distributed profits	-	-	-	-	-	-	-	-
- Net Profits of the year	-	-	-	-	-	851,580,441	851,580,441	851,580,441
- Usage part of reserve	-	-	-	(2,187,372)	-	-	-	(2,187,372)
Balance at the end of The Year	<u>1,950,000,000</u>	<u>331,128,634</u>	<u>73,775,555</u>	<u>162,709,903</u>	<u>7,458,634</u>	<u>851,580,441</u>	<u>851,580,441</u>	<u>3,376,653,167</u>
<u>2007</u>	<u>Capital</u> <u>EGP</u>	<u>Legal Reserve</u> <u>EGP</u>	<u>General Reserve</u> <u>EGP</u>	<u>Special Reserve</u> <u>EGP</u>	<u>Reserve for investment</u> <u>Revaluation Diff.</u> <u>EGP</u>	<u>Undivided Profit</u>	<u>Profits of the period</u> <u>EGP</u>	<u>Total</u> <u>EGP</u>
- Balance at beginning of The Period	1,950,000,000	331,128,634	73,775,555	162,709,903	7,458,634	-	851,580,441	3,376,653,167
- Transfer to reserves	-	40,102,238	474,707,379	-	-	-	(514,809,617)	-
- Net Profits of the Period	-	-	-	-	-	-	266,282,858	266,282,858
- Distributed profits	-	-	-	-	-	-	(336,770,824)	(336,770,824)
- Usage part of reserve	-	-	-	-	(145,624)	-	-	(145,624)
- Net Profits of the Period	-	-	-	-	-	-	-	-
- Undivided Profit	-	-	-	-	-	31,033,961	-	31,033,961
Balance At The End Of The Period	<u>1,950,000,000</u>	<u>371,230,872</u>	<u>548,482,934</u>	<u>162,709,903</u>	<u>7,313,010</u>	<u>266,282,859</u>	<u>266,282,859</u>	<u>3,337,053,538</u>