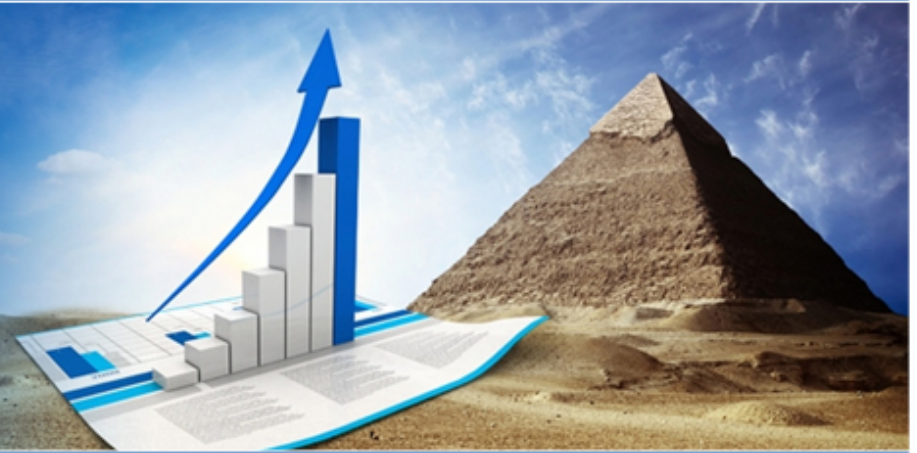


# Investor Relations Presentation

Q1'2014



A BANK TO TRUST

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- ⌘ About CIB
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- ⌘ Consumer Banking Snapshot
- ⌘ CIB Strategy
- ⌘ Summary and Conclusion

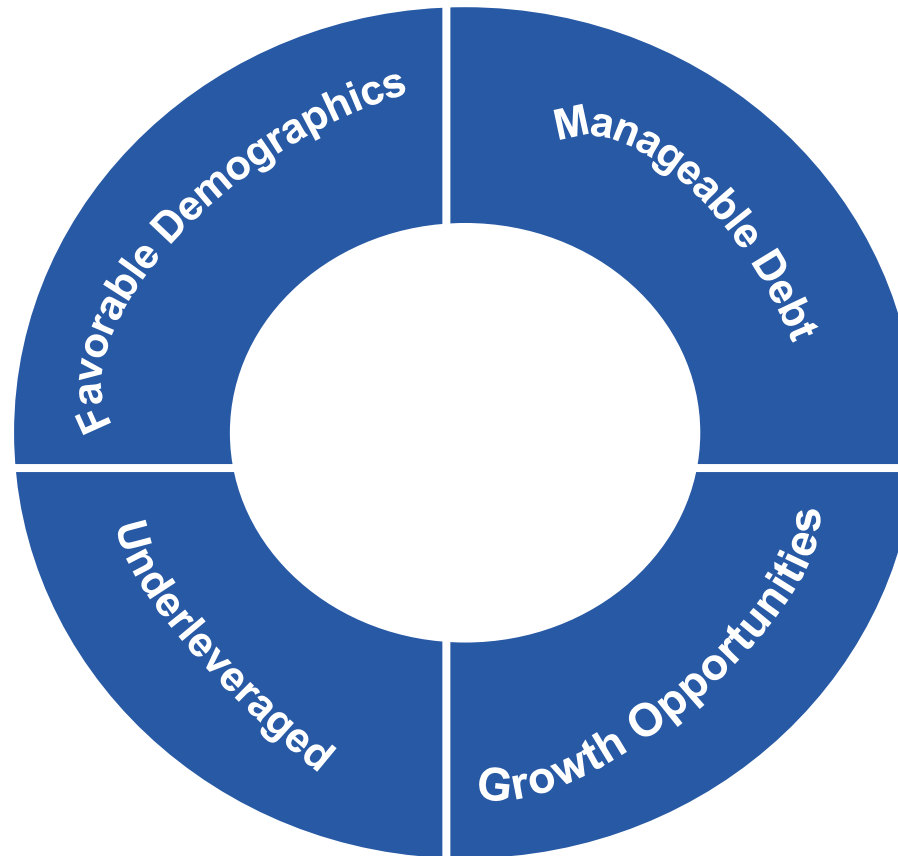
# Macro-Environment



# Egypt Fact Sheet

- Population: 86.4mn<sup>1</sup>
- Median age: 25<sup>2</sup>
- Private consumption/GDP: 86.74%\*\*
- Public consumption/GDP: 11%\*\*
- Labor force/population: 32.7%\*
- Unemployment rate: 13.4%<sup>2</sup> (2013)

- 
- Total bank lending facilities/GDP: 31.4%\*\*\*\*
  - Loans/Deposits: 41.4% (Feb 2014)
  - Corporate loans/GDP\*\*\*\*
  - Household debt/GDP: 7.6%\*\*\*\*



- Current A/C balance: \$ -1512.8mn\*\*
- Net International reserve: \$17.4bn (March 2014)
- LT external debt: \$42.9bn\*\*\*
- ST external debt: \$2.8bn\*\*\*
- 80% of debt is in local currency, held by public sector

- 
- Nominal GDP: EGP 497,341mn\*\*
  - Historical GDP growth: 4.61%<sup>3</sup> (2005/2013CAGR)
  - GDP/Capita: \$6,578<sup>3</sup> (2013)

<sup>1</sup> CAPMAS, population clock

<sup>2</sup> CIA, World Fact Book

<sup>3</sup> IMF, WEO Database, April 2014

\* Preliminary figure

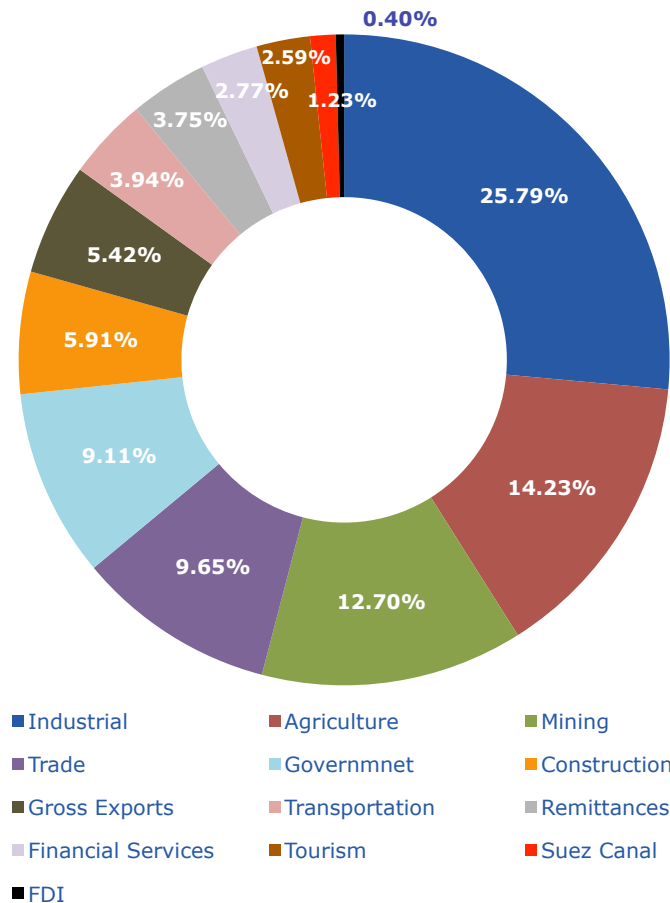
\*\* Figures as of Q1'2013/2014

\*\*\* Figure as of Q2'2013/2014

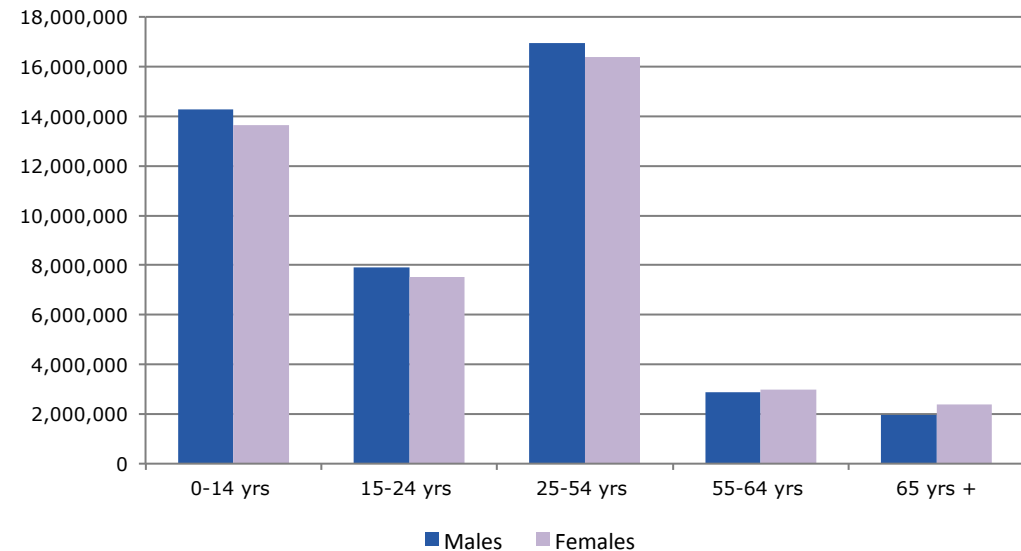
\*\*\*\* Figures as of December 2013 based on 2012/2013 GDP at market price

# Egypt Fact Sheet (Cont'd)

## Diversified as % of GDP<sup>1</sup>



## Favorable Demographics<sup>2</sup>



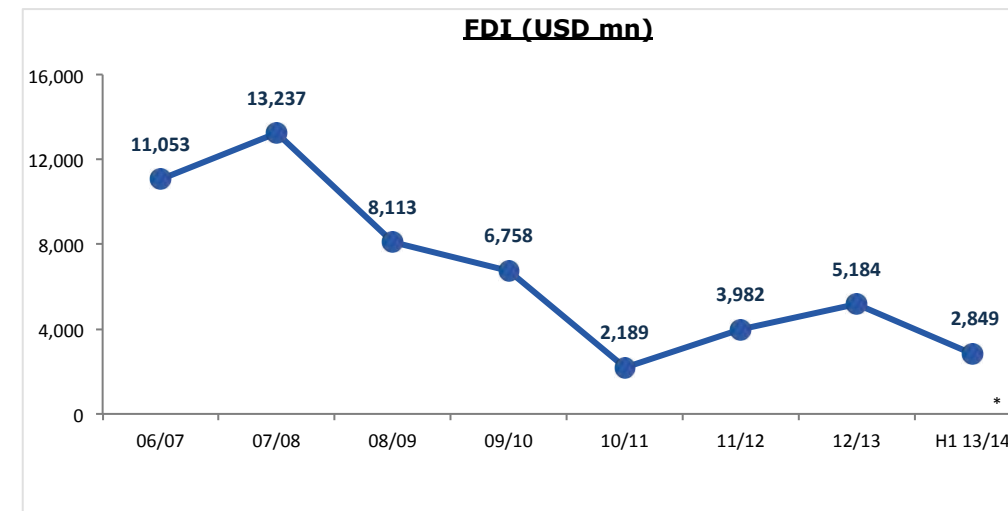
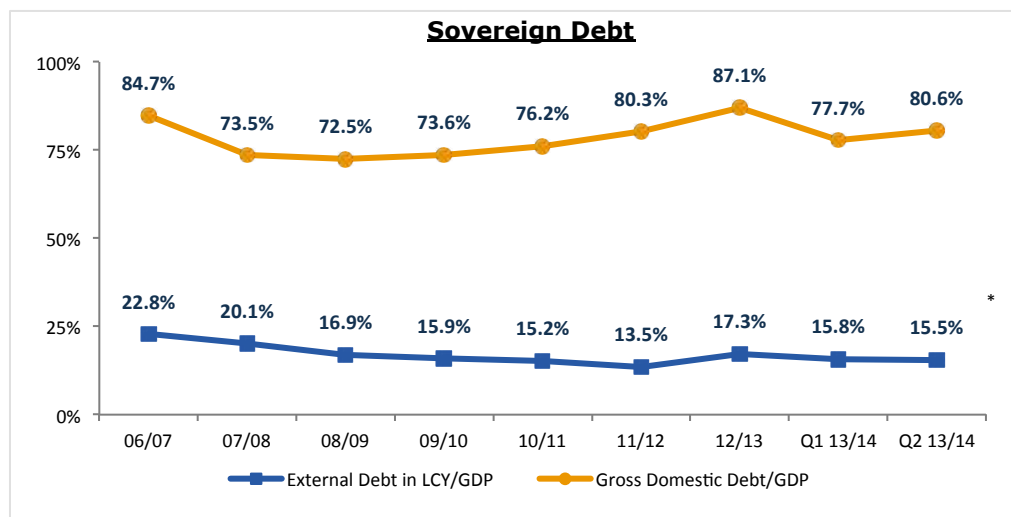
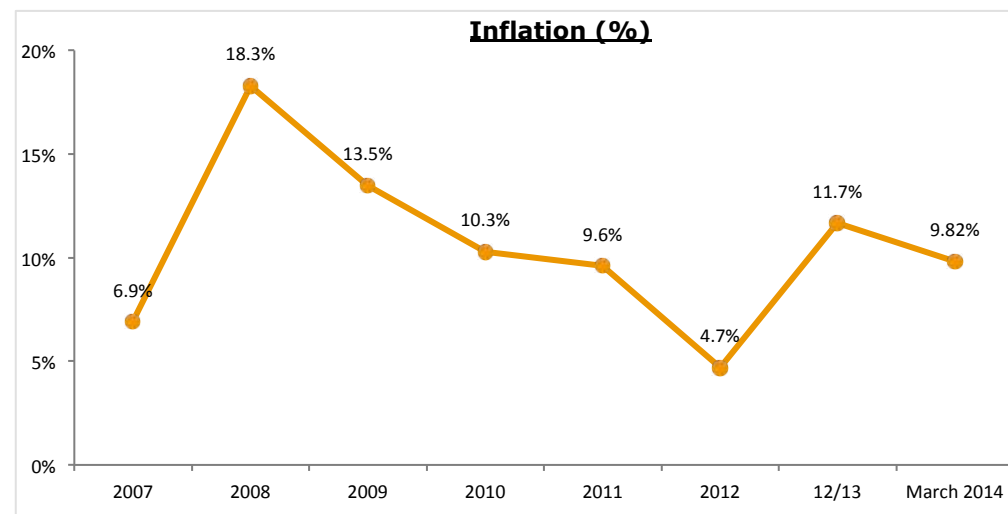
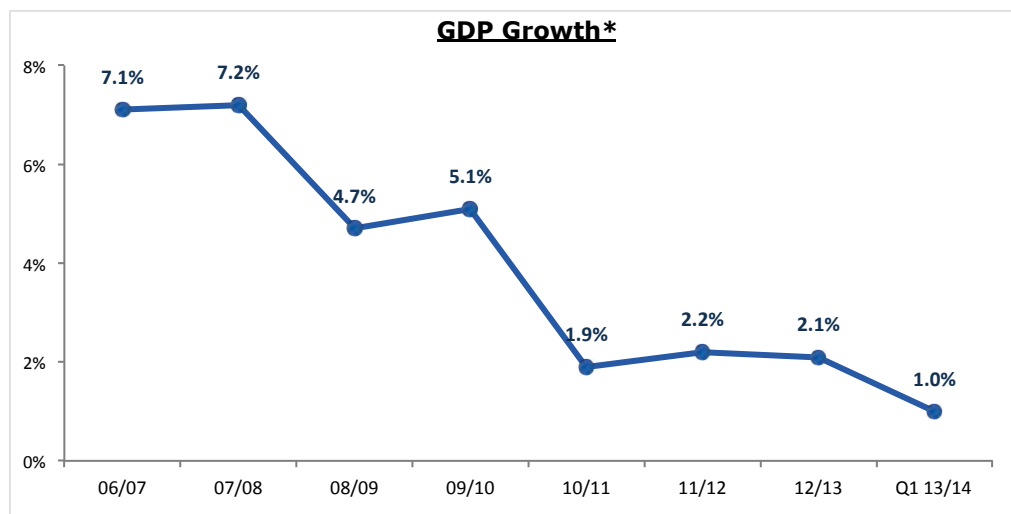
0-14 years	32.1%
15-24 years	17.8%
25-54 years	38.4%
55-64 years	5%
Over 65 years	4.8%

- Egypt is the most populous country in the ME, the 3<sup>rd</sup> most populous in Africa
- The production age totals to about half of the total population
- Over 80% of the population is below 55 years

<sup>1</sup> CBE, Figures as of Q1'2013/2014

<sup>2</sup> CIA, World Fact Book

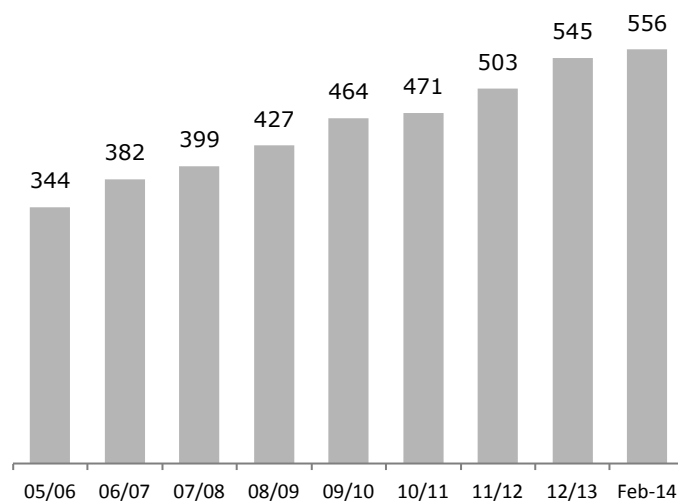
# Macroeconomics Snapshot



\* Provisional Figures

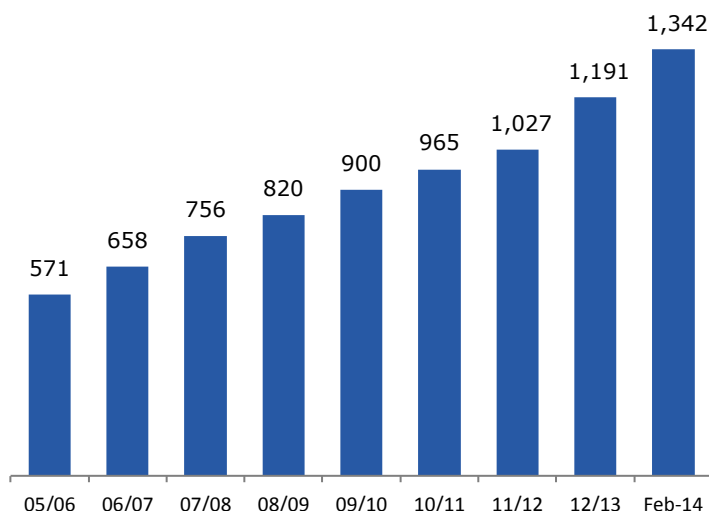
# Egyptian Banking Sector Snapshot

Total Loans



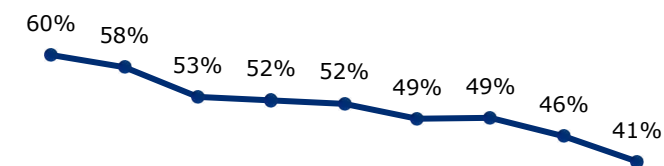
■ Total loans (EGP bn)

Total Deposits



■ Total deposits (EGP bn)

Loans to Deposits ratio



—●— loans to deposits ratio

	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	Dec. 2013
# of banking licenses	59	43	41	40	39	39	40*	40	40
# of branches					3,502	3,573	3,610	3,651	3683
# of ATMs					4,507	4,953	5,489	6,283	6,488
# of POS					33,953	32,911	45,716	2,100,471	48,416

\* After adding the Arab International Bank (AIB) to the Register of Banks to fall under the supervision of the CBE  
Source: CBE



# Challenges Facing Egypt

## Slow improvement in standards of living<sup>1</sup>

- UNDP Human Development Index: Score of 0.662, ranking 112/187
- Population Below Poverty Line: 20%

## Low quality health care services<sup>1</sup>

- 4.7% of GDP spent on health care services

## Lack of educational reforms<sup>1</sup>

- 3.8% of GDP spent on education

## Ease of doing business index<sup>4</sup>

- Ranked 110/185 in 2012

## Soaring budget deficit<sup>2</sup>

- EGP 239.9 (\$34.27 at \$/EGP7) as of FY 2012/2013

## Corruption Perception Index<sup>3</sup>

- In 2012; Scored 32 and ranked 118/176 vs. a score of 29 in 2011

<sup>1</sup> CIA World Fact Book

<sup>2</sup> Ministry of Finance

<sup>3</sup> Transparency.org

<sup>4</sup> World Bank

# Prospects for **Banking Environment**

## **Economic gradual pick up\***

- Pent up demand for asset products
- Increased investments by businesses and several PPP projects in the pipeline

## **Low retail banking penetration**

- Only 10% of the population is banked

## **Untapped opportunities in the growing SME sector**

## **Integration of the grey economy**

## **Change in legislative regulations and processes**

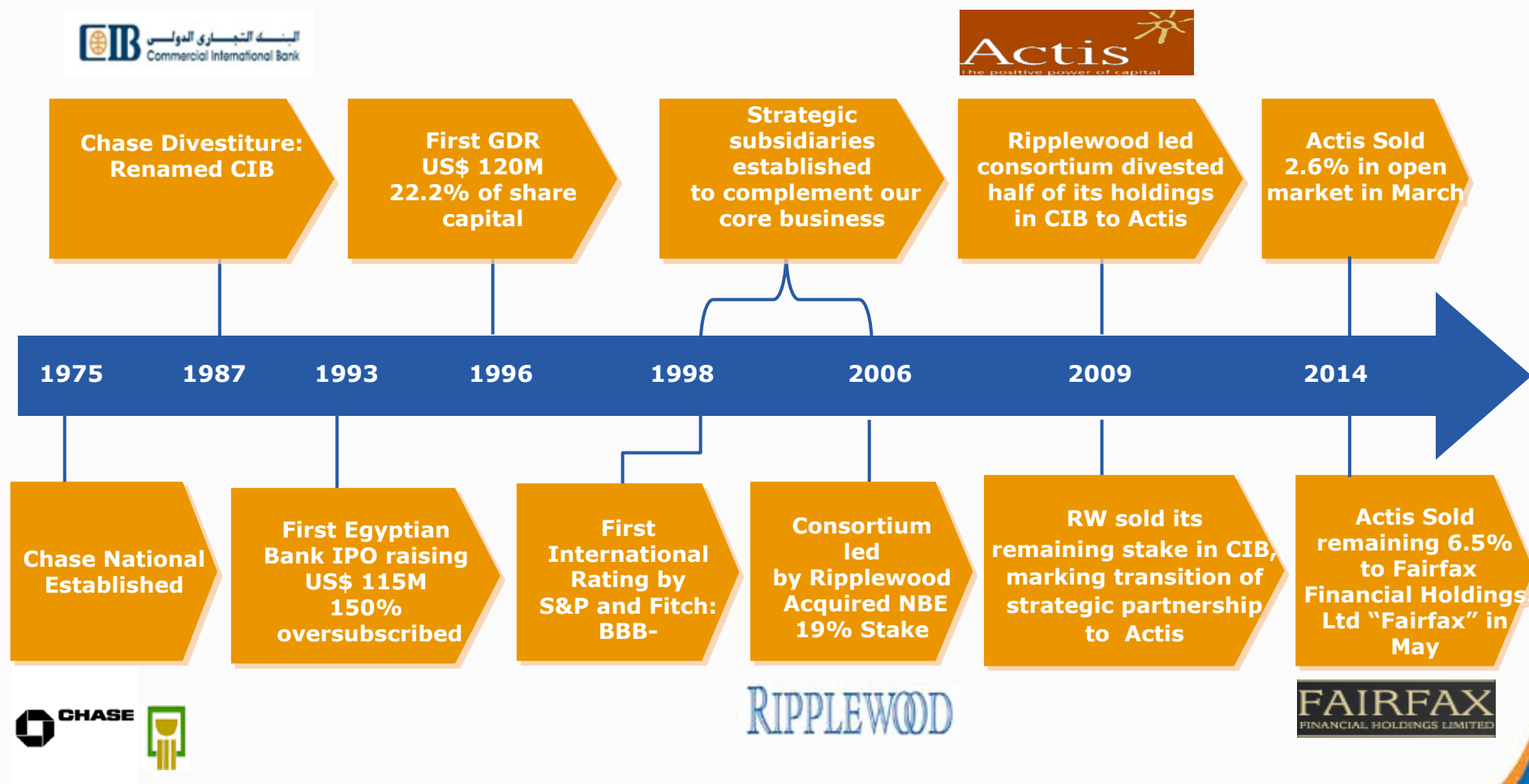
- Mobile financial services
- Mortgage lending

*\* Subject to political stability*

# About **CIB**



# Strategic Milestones



# CI Group Structure



# Business Segments

	Institutional Banking	Consumer Banking	CI Capital
Description	<ul style="list-style-type: none"> <li>Market leader</li> <li>Prime contributor to profitability</li> </ul>	<ul style="list-style-type: none"> <li>The take-off for a world class consumer banking franchise</li> </ul>	<ul style="list-style-type: none"> <li>Full-fledged Investment Bank wholly owned by CIB</li> </ul>
Focus on	<ul style="list-style-type: none"> <li>Large Corporates including MNCs, Institutions and Banks as well as Transactional Banking Services</li> </ul>	<ul style="list-style-type: none"> <li>Retail customers (with special focus on Wealth and Plus segments) and SMEs</li> </ul>	
Customers	66,827	523,277	
Loans	82.6%	17.4%	<ul style="list-style-type: none"> <li>Equities Research</li> <li>Securities Brokerage</li> <li>Asset Management</li> <li>Investment Banking</li> </ul>
Contribution to*			
Deposits	24.7%	75.3%	

\* Based on Managerial Accounting

# Share Information

- CIB's Stock is listed in the Egyptian Stock Exchange, London Stock Exchange and traded in New York Stock Exchange

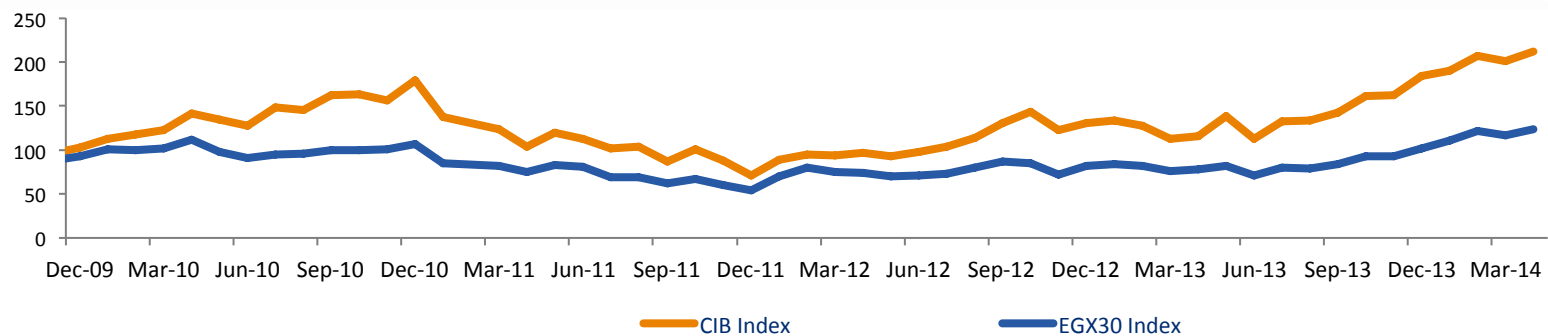
## Share Information\*

Shares outstanding	908,173,443
Par value	EGP 10.00
GDR Ratio	1:1
Last 52 weeks Hi	EGP 39.40
Last 52 weeks Lo	EGP 18.90

## CIB Stock Info.\*

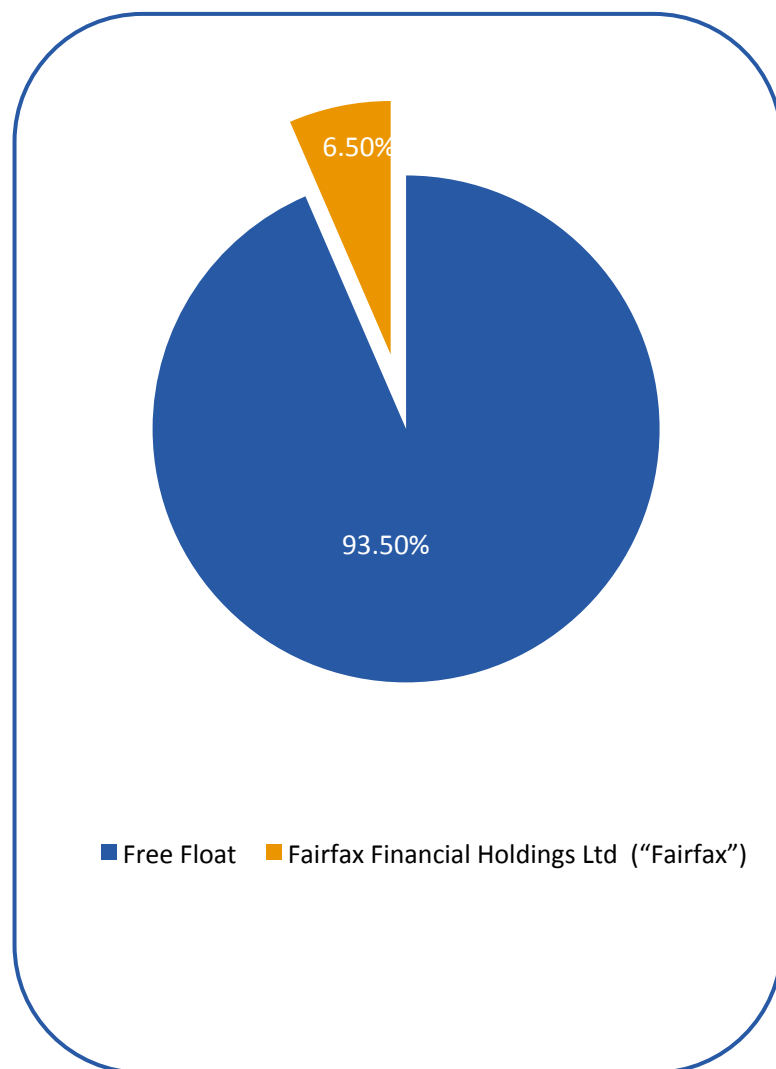
EGP	2011	2012	2013	YTD 2014
Market Cap.	11,115mn	11,257mn	21,839mn	33,984mn
Avg. Daily Liquidity	24.35mn	29.78	21.83mn	41.08mn
Avg. Daily Volume	1.30mn	1.58mn	0.90mn	1.15mn
Avg. Daily Price	18.73	18.85	24.26	35.72

## CIB Stock Activity\*



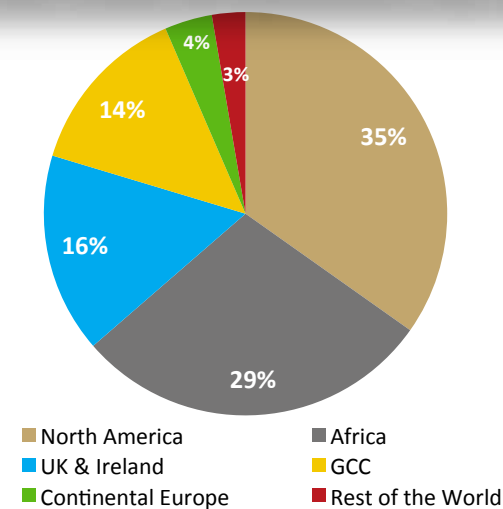
\* Normalized after stock split as of 5/12/2013  
As of 15/5/2014  
Source: Bloomberg

# Shareholding Structure

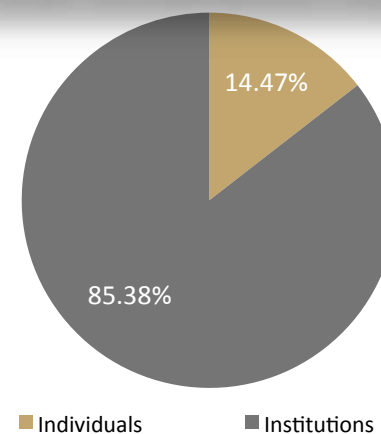


%s represents ordinary shares

## Free Float Breakdown by region

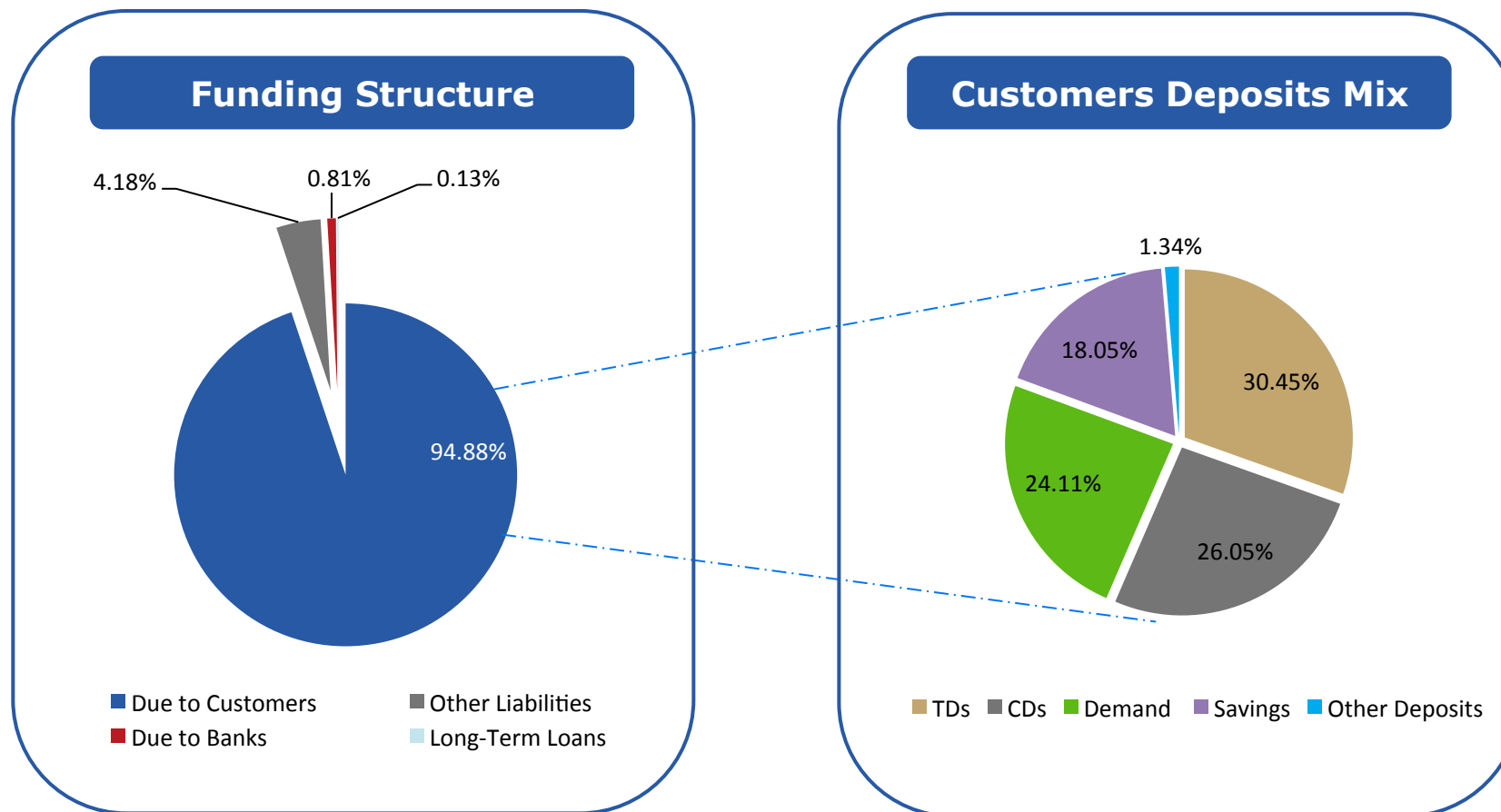


## Free Float Breakdown by category





# Funding Overview



*CIB's funding structure has no wholesale funds*

# Key Strengths

Along with its  
subsidiaries and  
Affiliates

**The only “one-stop  
shop”**

**Continuous Growth**

Assets grew  
15.3% from  
2009 till 2013

Highly skilled  
group leading  
the Bank

**Experienced  
management team**

**Strongest brand  
equity in market**

Highly reputable  
among all banks  
in Egypt

Acted as a  
cushion during  
unstable times

**Conservative  
provisioning  
policies**

**Prudent credit  
policies**

Reflected in asset  
quality

# Distribution Network

Total Outlets **153**

Cairo **87**

Alex. **23**

Delta **7**

Sina & Canal **18**

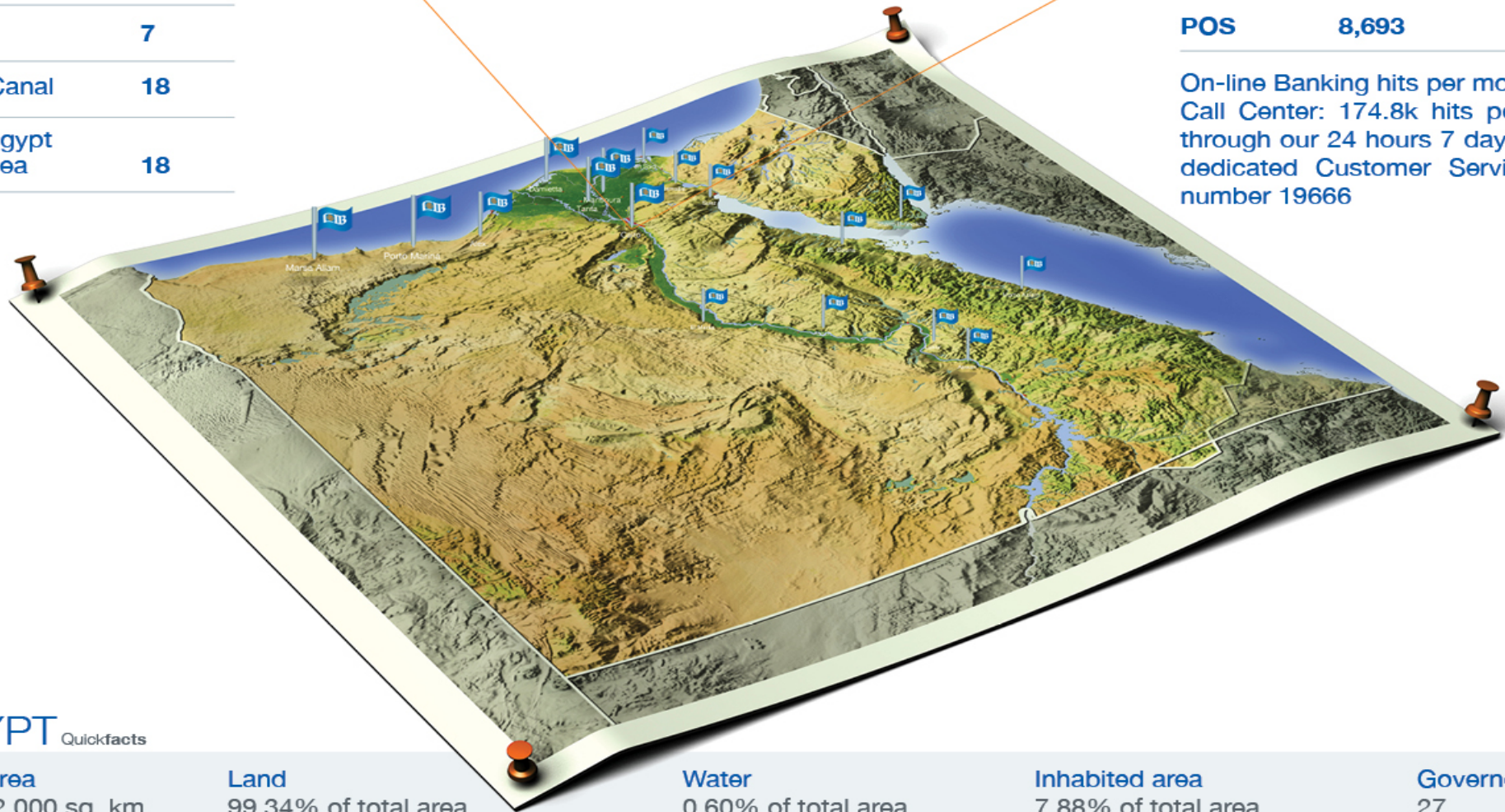
Upper Egypt  
& Red Sea **18**

Alternate Channel  
**Distribution:**

ATMs **560**

POS **8,693**

On-line Banking hits per month: N/A  
Call Center: 174.8k hits per month  
through our 24 hours 7 days a week  
dedicated Customer Service short  
number 19666



EGYPT Quickfacts

Total Area  
c.1,002,000 sq. km

Land  
99.34% of total area

Water  
0.60% of total area

Inhabited area  
7.88% of total area

Governorates  
27



# Corporate Governance

# Corporate Governance

## Commitment to Corporate Governance

- 🌐 Corporate governance is an issue that rates high on our list of priorities
- 🌐 CIB was the first Egyptian corporation to establish an Audit Committee in 1998
- 🌐 CIB's commitment to maintaining the highest standards of corporate governance is supported by several mandates, including:
  - Segregation of role of Executive Management and Board of Directors
  - Internal policies and manuals covering all business aspects
  - Highly skilled Investor Relations Team
- 🌐 When a board seat becomes vacant, the Governance Committee is responsible for nominating a new member

## Importance of Corporate Governance

It has been demonstrated over and over that effective corporate governance in banks

*not only*

- 🌐 **Enhances investor confidence in the Bank**

*and*

- 🌐 **Provides it with a competitive advantage to attract domestic and foreign capital**

*but also*

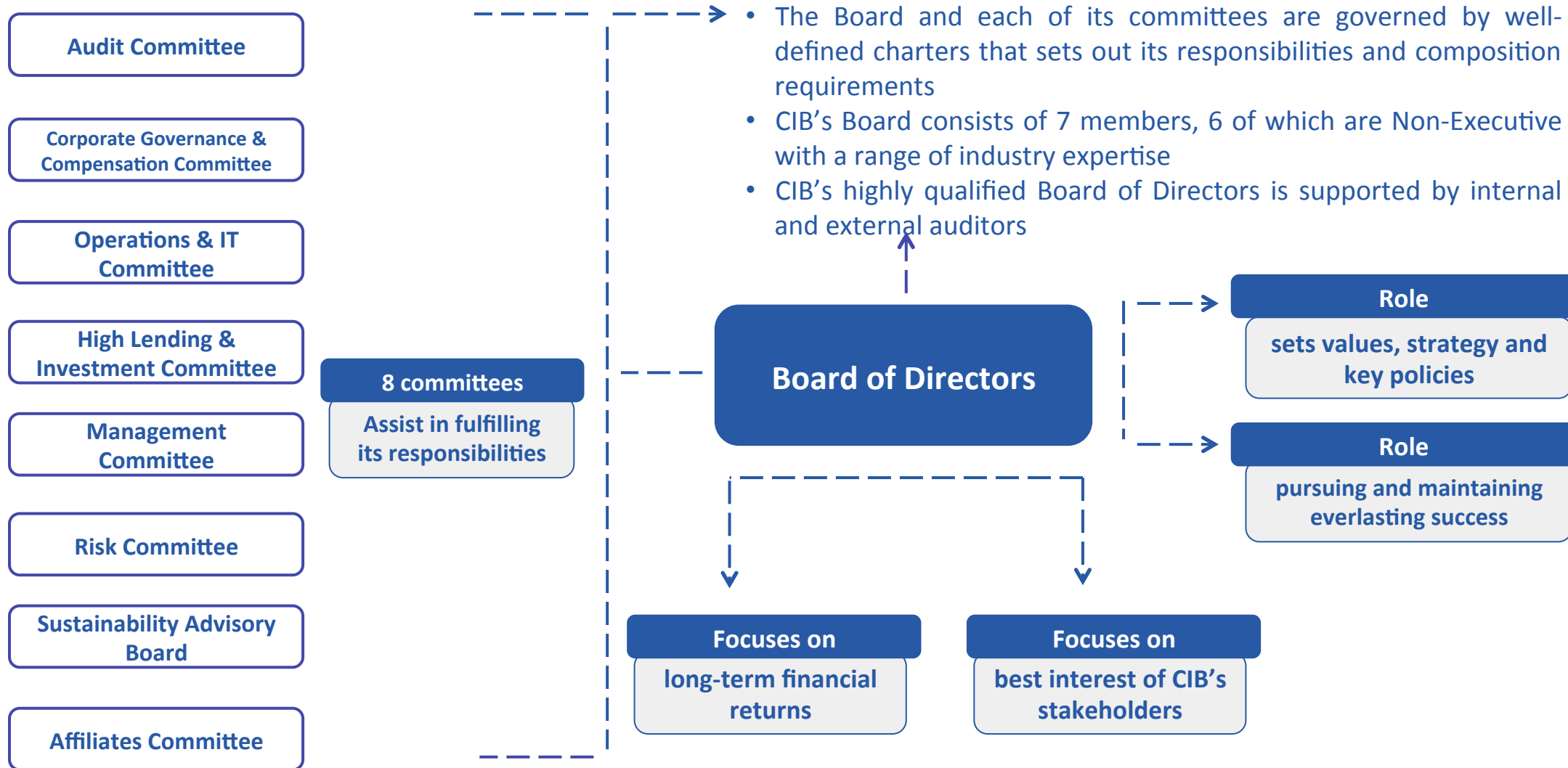
- 🌐 **Helps in withstanding economic downturns**

We take pride in our strong corporate governance structures which include:

- 🌐 **Experienced team of professional executive directors and senior management**
- 🌐 **Distinguished group of non-executive directors**
- 🌐 **Competent board committees**



# Board of Directors



## Board Members

### **Hisham Ezz Al-Arab**

Chairman &  
Managing Director

### **Jawaid Mirza**

Non Executive  
Board Member

### **Nadia Makram Ebeid**

Executive Director of the Center  
for Environment and Development  
for the Arab Region and Europe  
(CEDARE)

### **Yasser Hashem**

Managing Partner of Zaki Hashem  
& Partners, Attorneys at Law

### **Mark Richards**

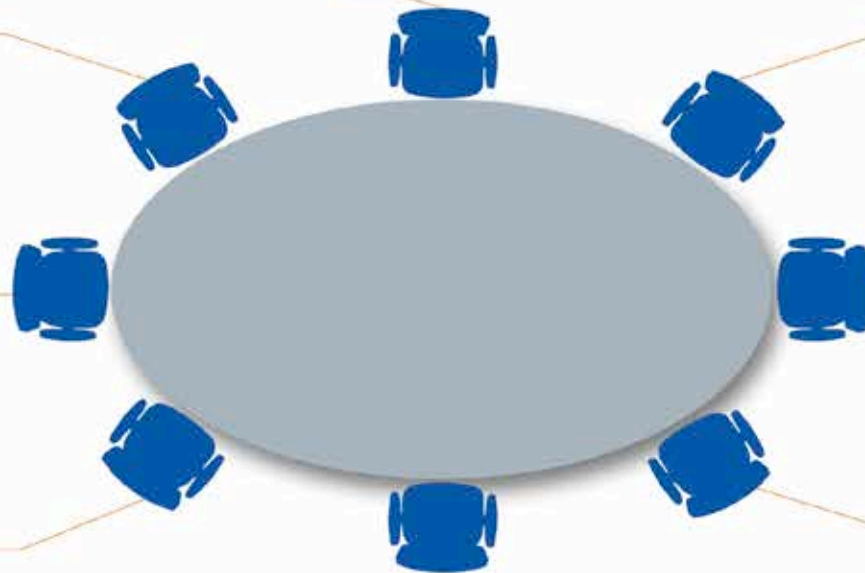
Head of financial  
services of Actis

### **Medhat Hassanein**

Egypt's former  
Minister of Finance

### **Sherif Kamel**

Dean of School of Business  
Administration (AUC)



*BOD composition as of 19/5/2014*

# CIB Financial **Highlights**





# Performance Snapshot: 31 March 2014

## Total Assets

**EGP 120,189mn**

Year-End 2013: EGP 113,752mn

 **5.66% QoQ**

## Net Loans

**EGP 42,513mn**

Year-End 2013: EGP 41,866mn;

 **1.50% QoQ**

## Customer Deposits

**EGP 102,721mn**

Year-End 2013 : EGP 96,846mn;

 **6.07% QoQ**

## Shareholders' Equity

**EGP 11,881mn**

Year-End 2013: EGP 11,960mn;

 **-0.66% QoQ**

## Revenues

**EGP 1.8 bn**

Q1'2013: EGP 1.51bn;

 **16% YoY**

## NPAT

**EGP 806mn**

Q1'2013: EGP 658mn;

 **22.5% YoY**

## NPLs/Gross Loans\*

**4.58%**

Q1'2013: 4%;

 **14.4% YoY**

## CAR

**16.5%**

Q1'2013: 15.2%;

 **8.5% YoY**

## ROAE\*\*

**28.5%**

Q1'2013: 26.4%;

 **8.1% YoY**

## ROAA

**2.77%**

Q1'2013: 2.69%;

 **2.8% YoY**

## Cost/Income

**23.4%**

Q1'2013: 24.4%;

 **-4.2% YoY**

## Net Interest Margin\*

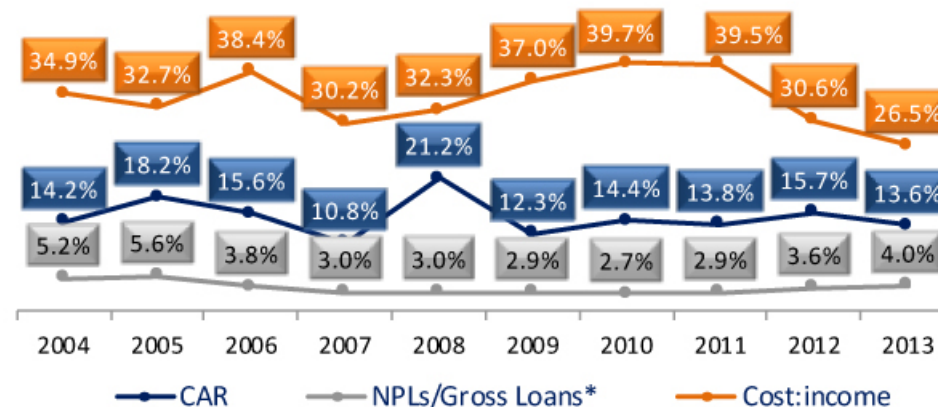
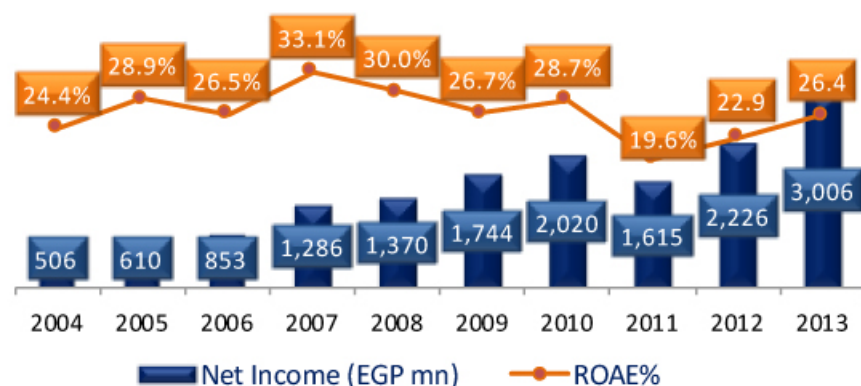
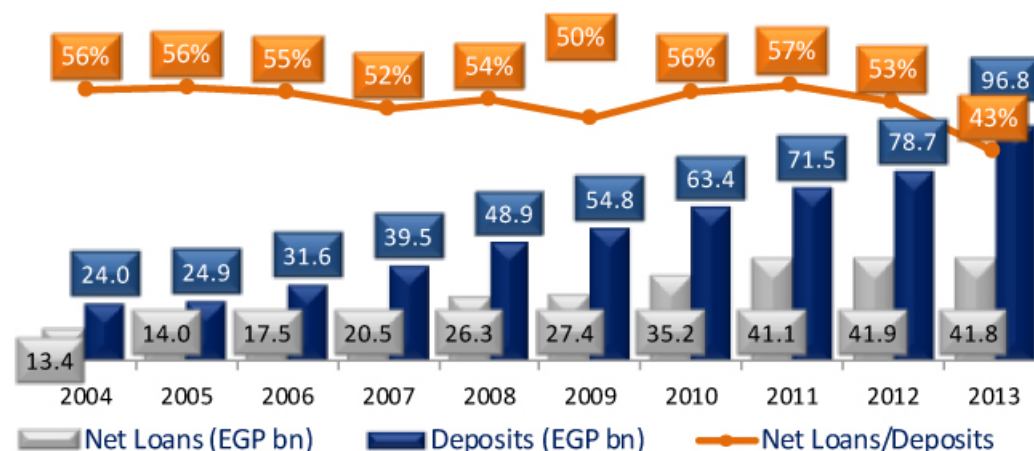
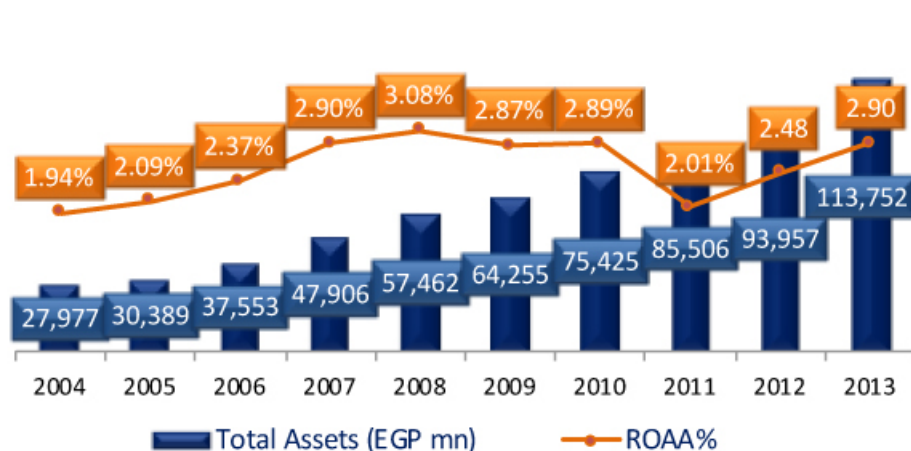
**5.50%**

Q1'2013: 5.25%

 **4.76% YoY**

- Ratios on a standalone basis
  - Ratio after Full-Year 2013 profit appropriation
- Figures are on a consolidated basis

# Historical Performance

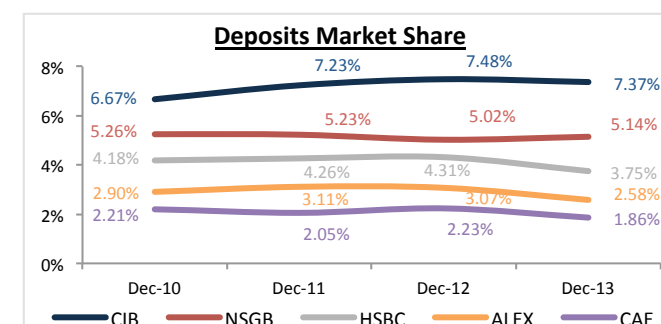
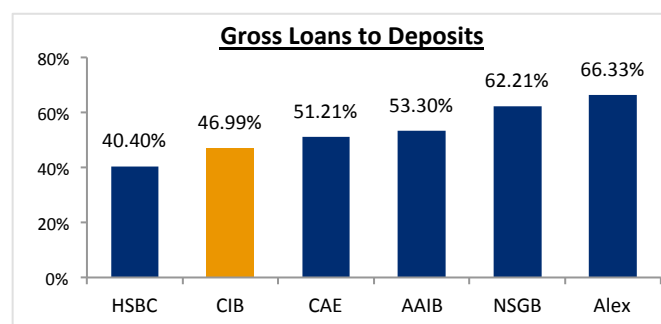
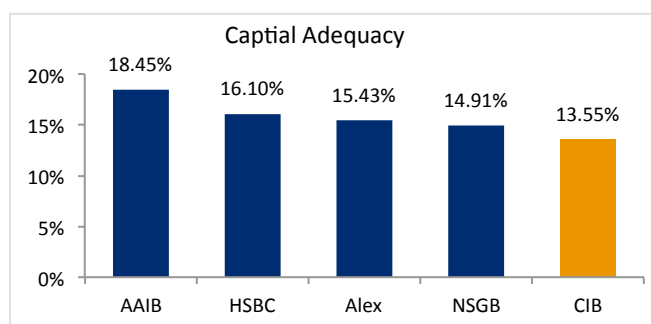
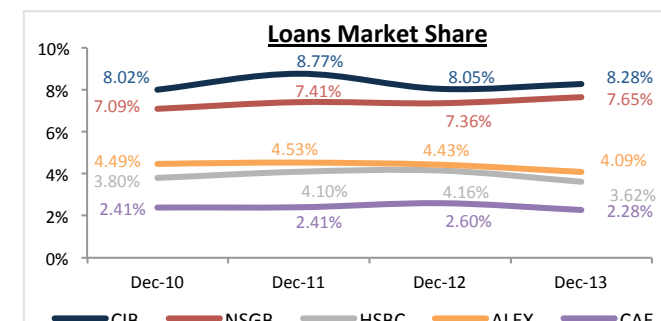
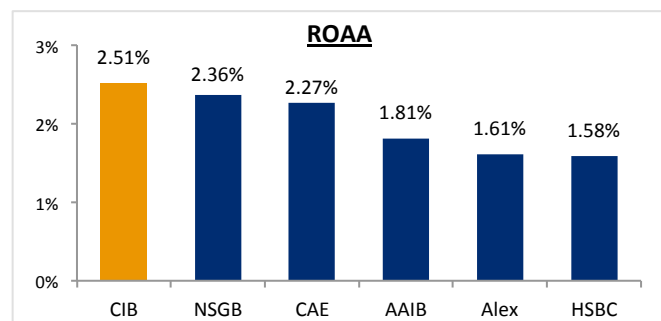
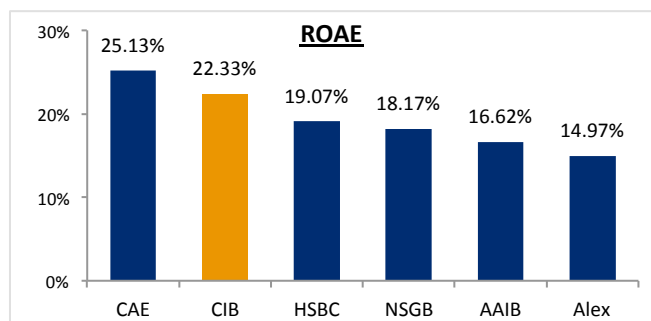
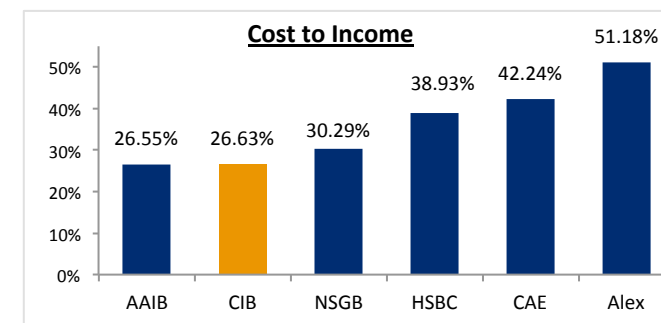
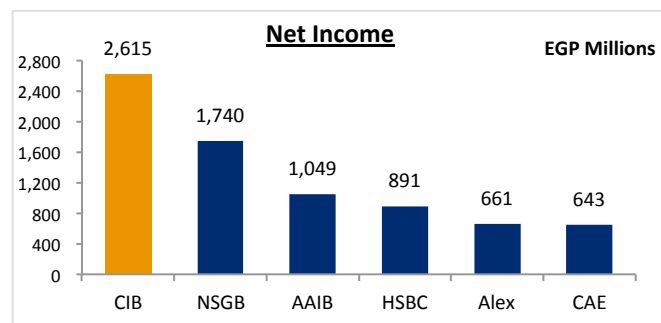
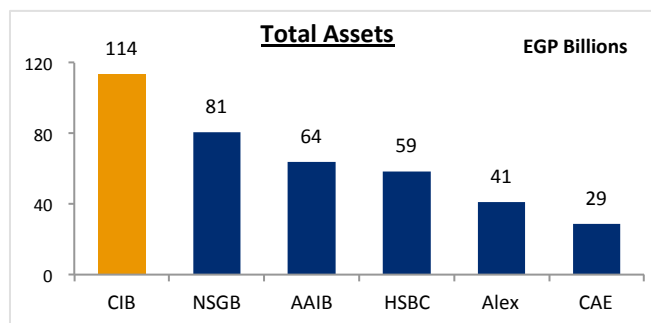


Branches & Outlets	92	100	119	131	152	155	153	154	156	152
Headcount	2,109	2,301	2,477	3,508	4,014	4,426	4,750	4,845	5,181	5,490
Years	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013

• Starting 2009, CIB used IFRS

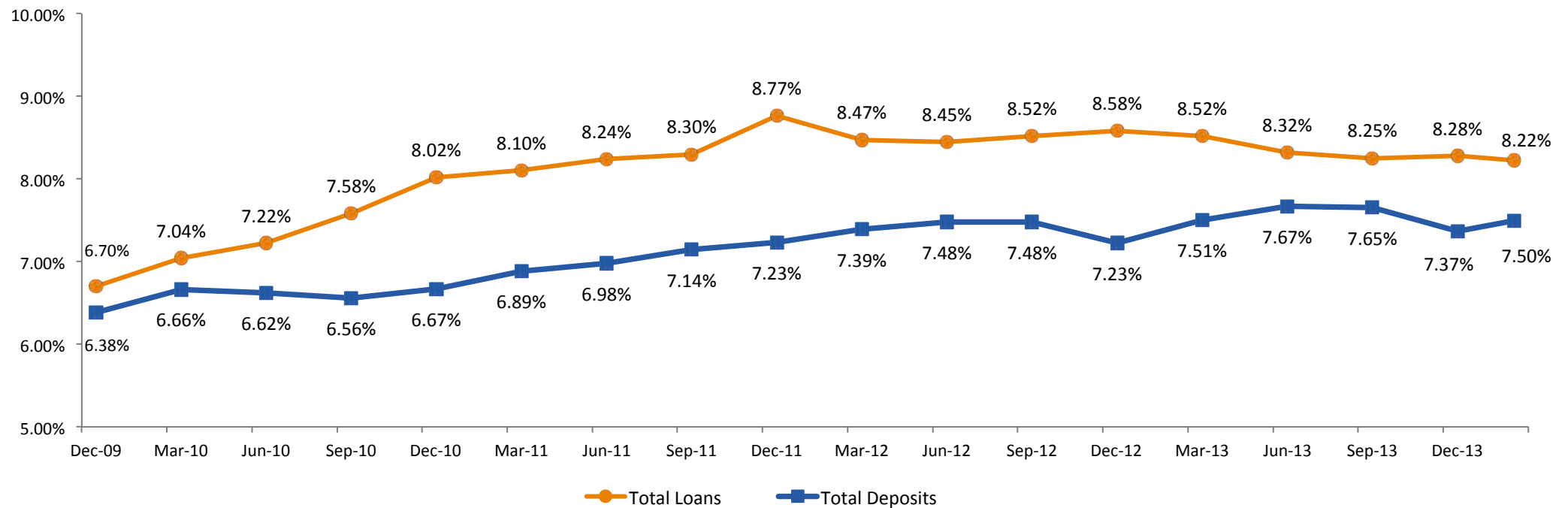
• Figures are on a consolidated basis except for NPLs/Gross loan ratio which is on a standalone basis

# Peer Analysis –Year end



Figures as of December 2013

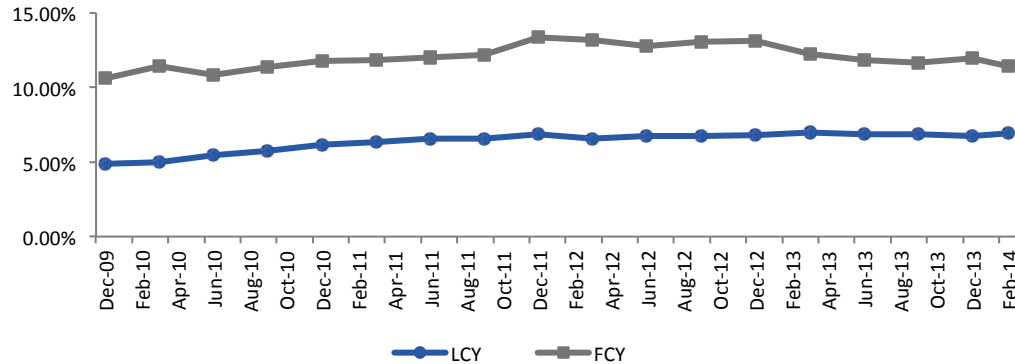
# Market Share Trend



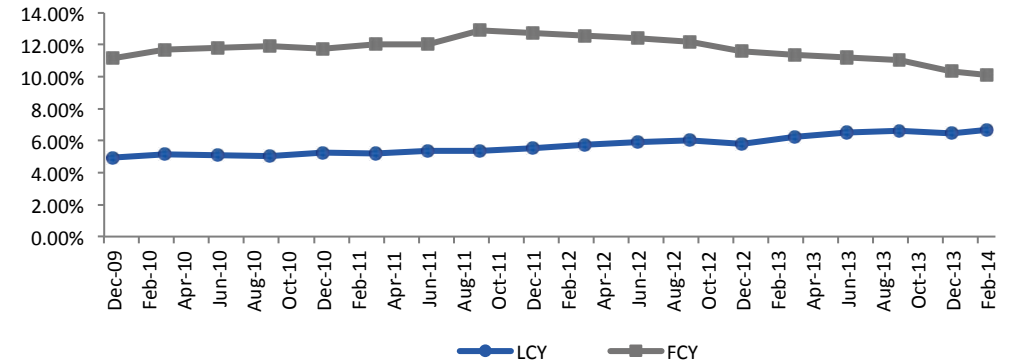
Loans		Deposits	
CIB maintained the highest loan market share of all private-sector banks		CIB maintained its leading position amongst all private-sector banks	
February 2014		8.22%	February 2014
			7.50%
CIB's loans market share from performing loans is significantly higher			

# Market Share Breakdown

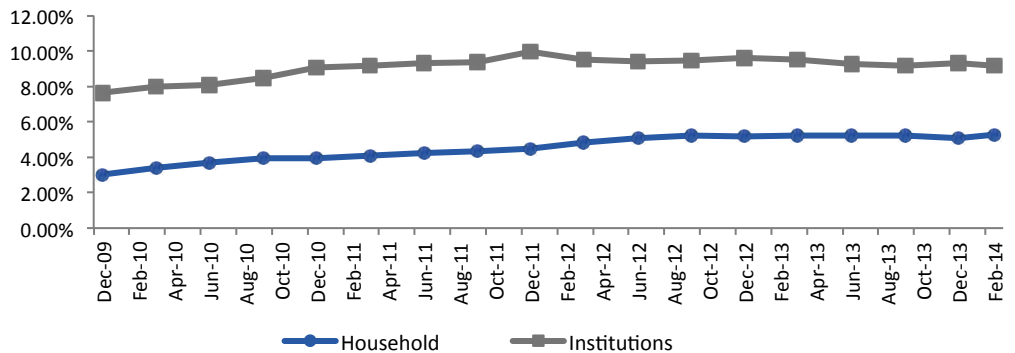
## Loans



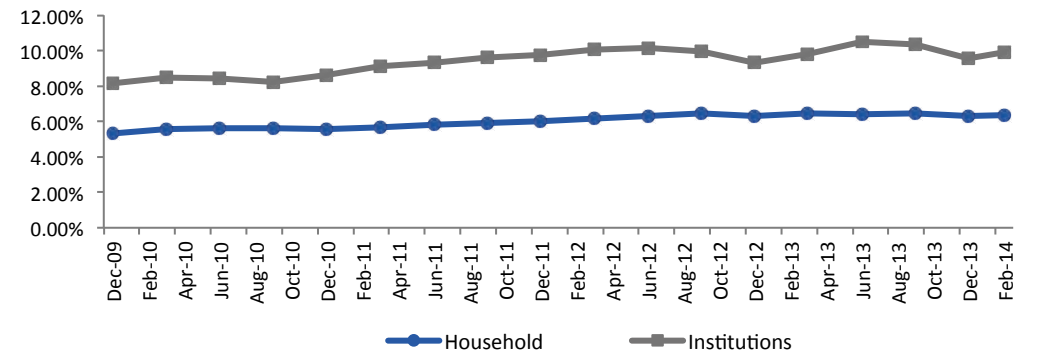
## Deposits



## Loans



## Deposits



Loans*				Deposits*			
LCY		FCY		LCY		FCY	
Household		Intuitions		Household		Institutions	
5.27%		9.19%		6.38%		9.90%	

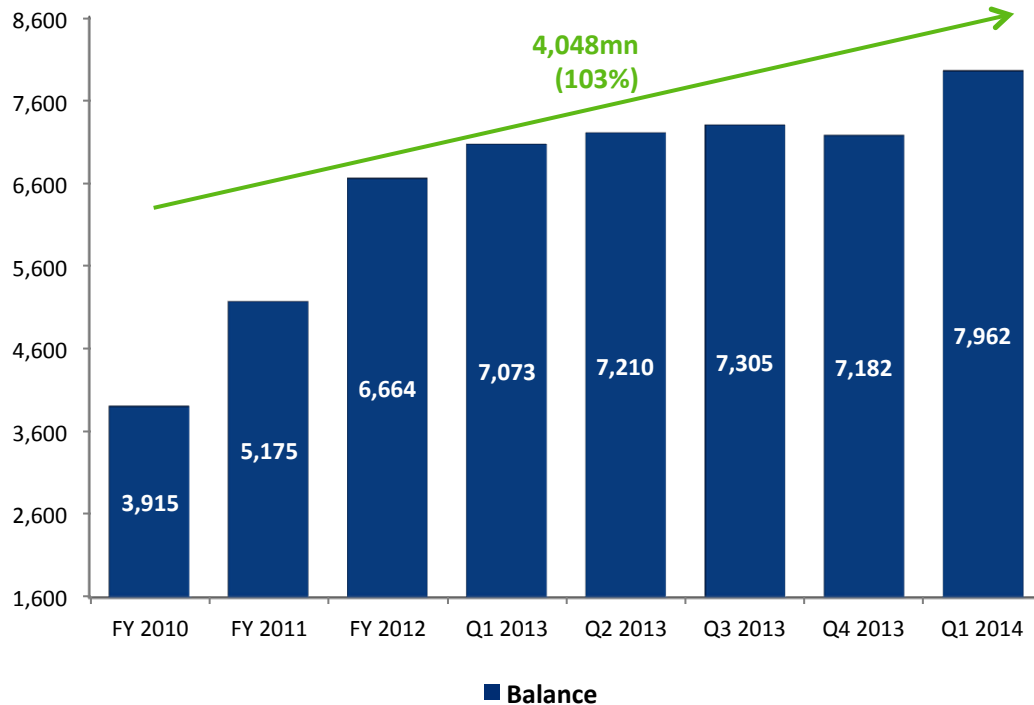
\* As of February 2014

# Consumer Banking Snapshot

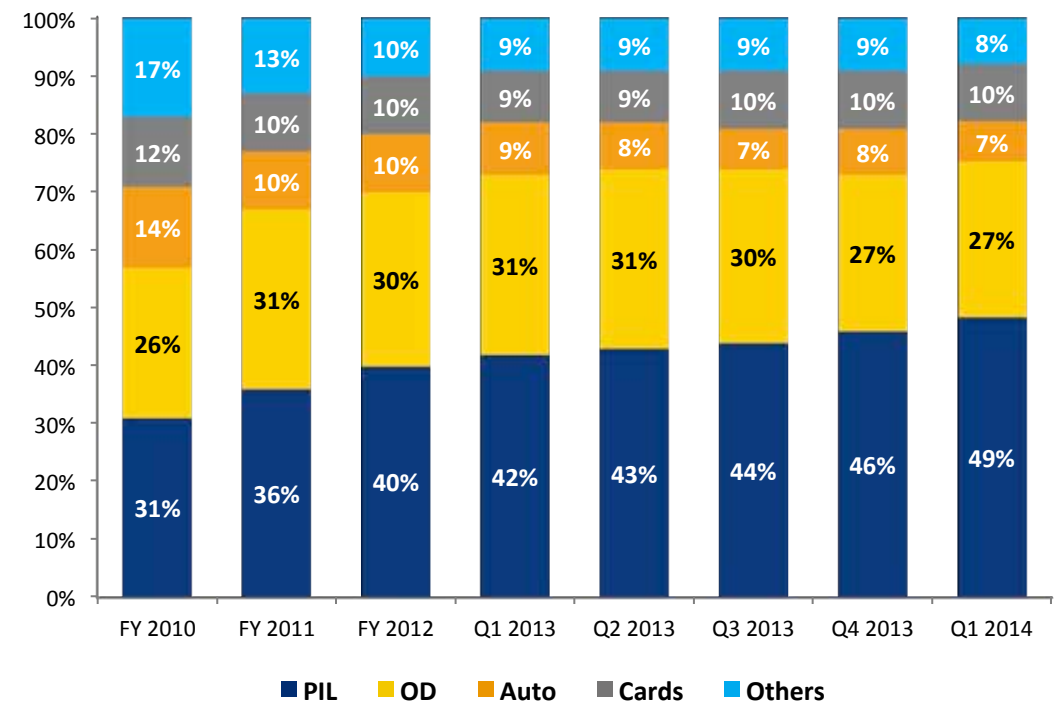


# Assets Portfolio Growth

## Assets



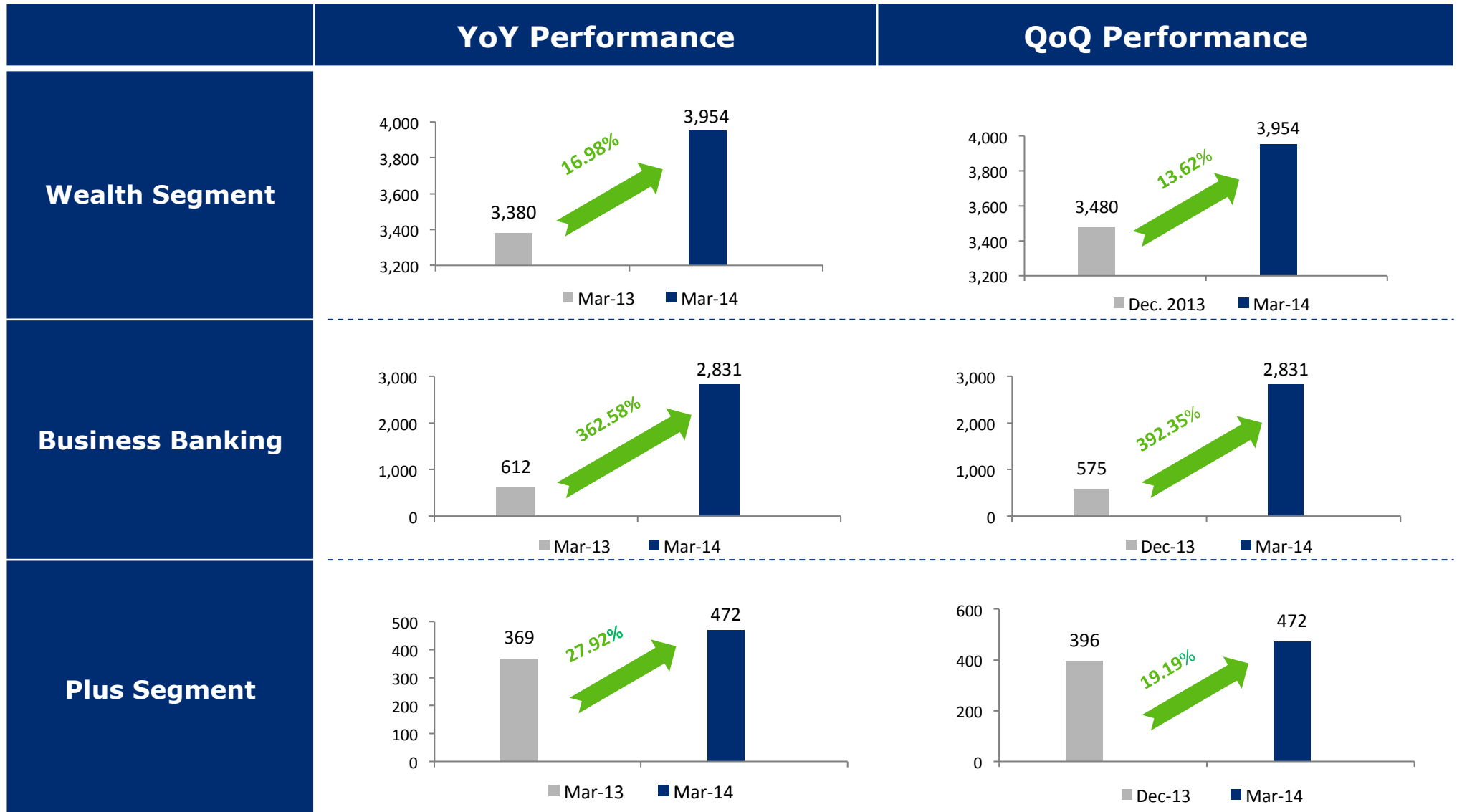
## Assets Mix



In Millions

	FY 2010	FY 2011	FY 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014
Balance	3,915	5,175	6,664	7,073	7,210	7,305	7,182	7,962

# Assets By Segment

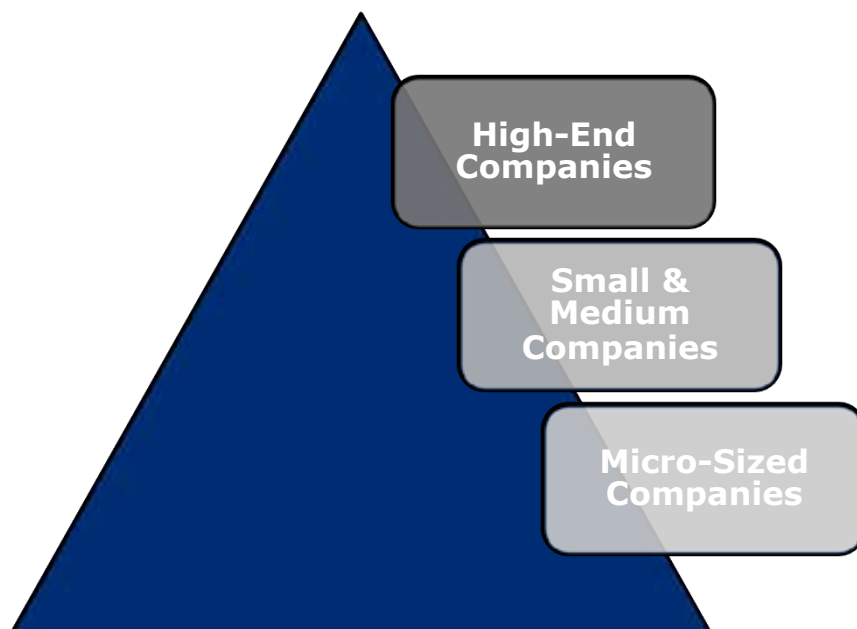




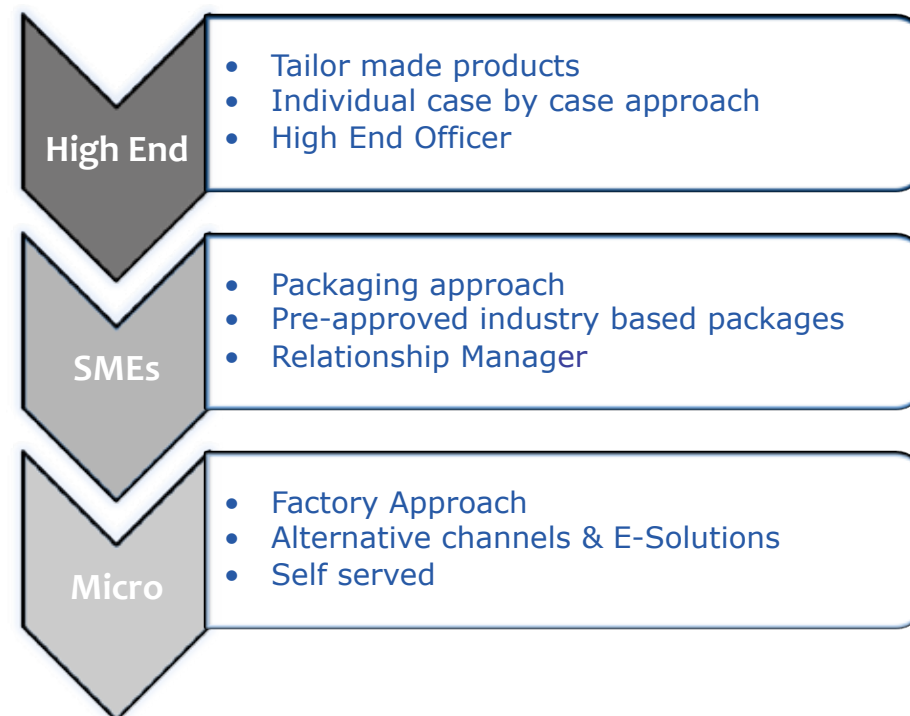
# Business Banking profile

- 🌐 Business Banking has been one of CIB's strategic initiatives in the past couple of years
- 🌐 Was launched on a pilot basis in 2011 and went live in 2012, finally in 2013 was aggressively introduced to the market
- 🌐 Falls under CIB's Consumer Banking umbrella
- 🌐 Manages financial needs of small and medium size retail companies with annual sales turn-over below EGP 60mn
- 🌐 Currently has penetration of over 3k companies

## Customer Segmentation



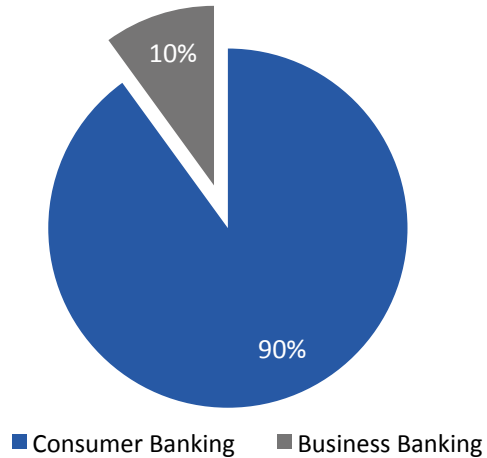
## Business Approach



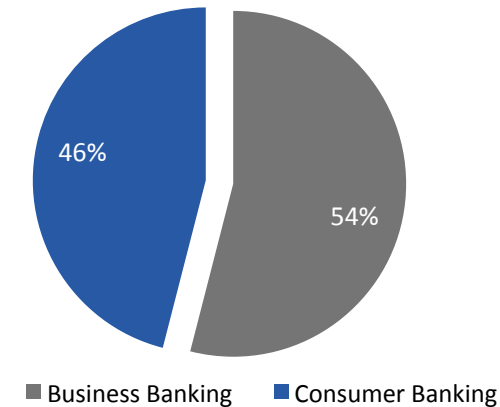
# Business Banking vs. Consumer Banking

- 🌐 Business Banking model has proved its success when compared to Consumer Banking approach in terms of overall performance

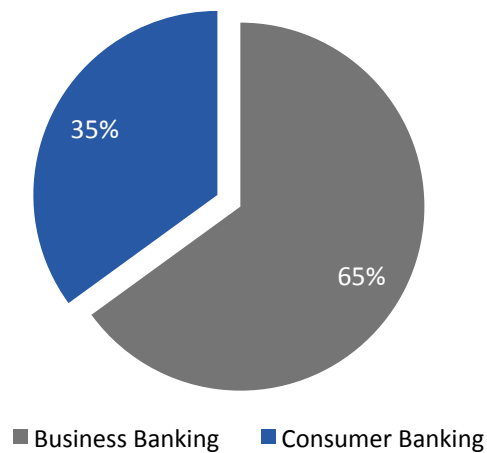
Number of Companies



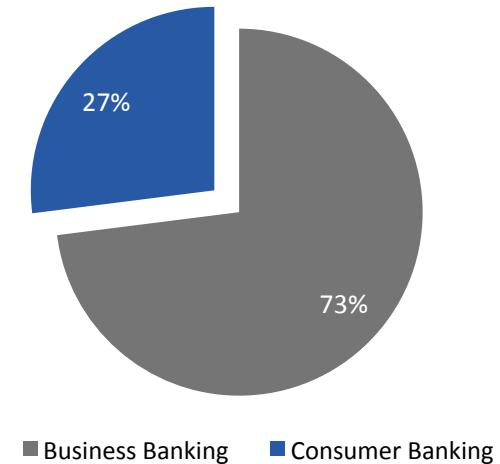
Customer Deposits



Revenue



Customers Gross Contribution





# CIB Strategy



# Vision realization



# Summary and Conclusion

# Why Egypt?

## Political Situation

- Building new political structure to fulfill the dreams of all Egyptians
- General improved optimism about the political future in Egypt
- Moving to a more open political system

## Economic Environment

- Among the most diverse in the MENA region
- Started transformation to a stable and modern economy
- The resilience of Egyptian Economy is capable of overcoming challenges as it did in 2008 financial crisis
- Banking sector possesses high structural profitability and remains intact

## Robust banking reform program

- Phase I (2005-2008): successfully completed
- Phase II (2009- 2011):improving the regulatory environment, adopting Basel II and increased focus on corporate governance and limit concentrated risk exposure and proprietary investment
- Phase III (2011-2012): Finalized the fine tuning of the regulations
- Phase IV (Ongoing): Parallel run of existing regulations on capital adequacy and Basel II and finalizing the data warehousing framework

# Why CIB?

## Profitability

- Market leader
- NPAT EGP 806mn
- Total revenues EGP 1.8bn

## Asset Quality

- NPL/Gross loans 4.58%
- Direct Coverage Ratio 144%

## Liquidity

- High liquidity
- Net LDR 41.4%

## KPIs

- ROAA 2.77%
- ROAE 28.5%
- Cost/income 23.4%

## Largest in ...

- Total Assets EGP 120bn
- Loans and deposits market shares
- Market Cap EGP 33,984mn in private banks



# Awards and Recognition



## 2014

- **\*CIB is the only ranked Egyptian organization in the Forbes world's 2000 biggest public companies. CIB is ranked 1,735 as of 2014; an improvement of its previous rank of 1,966 in 2013**
- Best Trade Finance Provider in Egypt by Global Finance for the 8<sup>th</sup> year.
- Best Foreign Exchange Provider in Egypt by Global Finance for the 11<sup>th</sup> year
- Best Investment Bank 2014 - by Global Finance
- Best Bank in Egypt by Global Finance
- Best Emerging Markets Banks in Africa - By Global Finance

## 2013

- Best Trade Finance Provider in Egypt by Global Finance
- Best Foreign Exchange Provider in Egypt by Global Finance
- Deal of the year by the Banker magazine "Africa - Structured finance Deal"
- The World's Best Emerging Markets Banks 2013 in the Middle East – By Global Finance
- Best Bank 2013 by Global Finance
  - CIB was awarded the Best Bank in Egypt for the 17<sup>th</sup> Year
- Best Subcustodian Bank 2013 - By Global Finance
- Best Bank in Egypt Euromoney - Excellence Award 2013
- Best Subcustodian Bank 2013 – By Global Finance
- Best FX Service in North Africa Award – By EMEA Finance
- Best Internet Bank Award 2013 by Global Finance "Best Online Cash Management – Regional Award"
- CIB was ranked 1<sup>st</sup> Top Ranked Bank in North Africa By - FTSE Global Markets
- CIB was ranked 2<sup>nd</sup> Best Overall Provider within LEVANT and North Africa by - FTSE Global Markets
- The Banker "Bank of the Year - Egypt" Award
- Best Foreign Exchange Providers 2014 – Country Winner – Global finance

*\*As of April 1, 2014*







# Thank you

For more information, please visit

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To read about the projects that the CIB Foundation has helped support and ways in which you can donate, please visit

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