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Report on Review of consolidated Interim Financial Statements

To: The Board of directors of Commercial International Bank (Egypt) S.A.E

Introduction

We have performed a review for the accompanying consolidated balance sheet of Commercial International Bank (Egypt) S.A.E as of 31 March 2010 and the related consolidated statements of income, cash flows and changes in equity for the financial period from January 1st, 2010 up to March 31st, 2010, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with central bank of Egypt's rules, pertaining to the preparation and presentation & the financial statements, issued on June 27, 2002 and its amendments, including amendments that relates to financial investments issued on December 16, 2008 and in light of the prevailing Egyptian laws. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with Egyptian Standard on Review Engagements 2410, "Review of consolidated Interim Financial Statements Performed by the Independent Auditor of the Bank." A review of consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Bank, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these consolidated interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not present fairly, in all material respects, the consolidated financial position of the Bank as at 31 March 2010, and of its financial performance and its cash flows for the financial period then ended in accordance with central bank of Egypt's rules, pertaining to the preparation and presentation & the financial statements, issued on June 27, 2002 and its amendments, including amendments that relates to financial investments issued on December 16, 2008 and in light of the prevailing Egyptian laws.



Ehab Fawzy Akl
Egyptian financial supervisory Authority Number "9"
KPMG Hazem Hassan
Public accountants & consultants

Cairo, 12 May 2010

S.A.E
Consolidated Balance Sheet In
Mar. 31, 2010

	Note No.	<u>Mar. 31, 2010</u> <u>EGP</u>	<u>Dec. 31, 2009</u> <u>EGP</u> <u>(Restated)</u>
<u>Assets:-</u>			
- Cash and Due From Central Bank	(15)	4,098,896,337	4,179,256,489
- Due From Banks	(16)	8,080,344,588	7,946,147,786
- Treasury Bills and other Governmental Notes	(17)	13,575,742,969	13,198,960,913
- Trading Financial Assets	(18)	565,803,757	491,138,956
- Loans and Overdrafts for Banks (Net After Provision)	(19)	191,260,819	200,765,433
- Loans and Overdrafts for Customers (Net After Provision)	(20)	29,337,106,271	27,242,306,896
- Financial Derivatives	(21)	158,429,339	225,347,220
<u>Financial Investments:-</u>			
- Available for Sale	(22)	8,971,680,580	7,429,977,151
- Held to Maturity	(22)	567,682,491	590,057,209
- Financial Investments in Associated Co.	(23)	86,863,558	74,750,645
- Brokers - Debit Balances		178,931,462	80,154,770
- Reconciliation Accounts- Debit Balances		-	20,302,650
- Real estate investments	(24)	42,485,364	42,485,364
- Debit Balances and Other Assets	(25)	1,176,681,129	963,058,418
- Goodwill		190,443,866	200,467,228
- Intangible Assets		556,604,736	573,471,546
- Deferred Tax	(24)	45,280,919	37,232,586
- Fixed Assets (Net)	(25)	745,043,219	749,602,993
<u>Total Assets</u>		<u>68,569,281,403</u>	<u>64,245,484,253</u>
<u>Liabilities and Shareholder's Equity:-</u>			
<u>Liabilities:-</u>			
- Due to Banks	(27)	1,061,560,353	458,145,229
- Customers Deposits	(28)	58,162,948,569	54,648,654,522
- Brokers- Credit Balances		286,673,337	212,593,347
- Reconciliation Accounts - Credit Balances		16,138,275	-
- Financial Derivatives	(21)	107,471,850	150,526,830
- Credit Balances and Other Liabilities	(30)	1,400,047,942	1,162,019,568
- Long Term Loans	(29)	89,230,051	93,237,042
- Other Provisions	(31)	411,278,468	450,056,493
<u>Total Liabilities</u>		<u>61,535,348,845</u>	<u>57,175,233,031</u>
<u>Shareholders' Equity:-</u>			
- Issued and Paid in Capital	(29)	2,925,000,000	2,925,000,000
- Reserves	(31)	3,566,504,525	2,379,311,040
- Reserve for employee stock ownership plan (ESOP)		180,651,201	161,728,984
- Retained Earning		(212,673,915)	(176,287,838)
<u>Total Shareholders' Equity</u>		<u>6,459,481,810</u>	<u>5,289,752,186</u>
- Net Profit of the Period / Year		528,380,846	1,734,891,714
<u>Total Shareholders' Equity and Net Profit</u>		<u>6,987,862,656</u>	<u>7,024,643,900</u>
Minority Interest		46,069,902	45,607,323
<u>Total Liabilities and Shareholders' Equity</u>		<u>68,569,281,403</u>	<u>64,245,484,253</u>
<u>Contingent Liabilities and Commitments</u>			
- letters of Credit, Guarantees and Other Commitments	(37)	11,757,591,390	12,637,872,568

The Accompanying Notes are an Integral part of the Financial Statements and are to be Read Therewith
(Review Report attached)

Hisham Ezz El-Arab
Chairman
& Managing Director

S.A.E
Consolidated Income Statement For The Period Ended
Mar. 31, 2010

	Note No.	<u>Mar. 31, 2010</u>	<u>Mar. 31, 2009</u>
		<u>EGP</u>	<u>EGP</u>
			<u>(Restated)</u>
- Interest and similar income	(6)	1,035,830,917	1,049,573,089
- Interest expense and similar charges	(6)	(516,009,902)	(531,339,572)
<u>Net Interest Income</u>		<u>519,821,015</u>	<u>518,233,517</u>
- Fees & Commissions Income	(7)	231,363,496	167,843,388
- Fees & Commissions Expense	(7)	(17,151,477)	(16,029,590)
<u>Net Fees and Commissions Income</u>		<u>214,212,019</u>	<u>151,813,798</u>
- Dividends Income	(8)	64,123,657	99,707,405
- Net Trading Income	(9)	83,597,485	151,005,723
- (Losses) Profit from Financial Investments	(22)	58,397,638	(2,454,862)
- Goodwill Amortization		(10,023,361)	-
- Administrative Expenses	(10)	(320,782,046)	(281,267,506)
- Other Operating (Expenses) Income	(11)	23,157,996	(54,123,142)
- Return (Losses) Of Impairment From Loans	(12)	(1,911,080)	(11,765,527)
- Intangible Assets Amortization		(16,866,810)	(16,866,810)
- Bank's share in the profits of associates		12,073,718	-
<u>Net Profit Before Tax</u>		<u>625,800,230</u>	<u>554,282,597</u>
- Income Tax	(13)	(103,405,138)	(86,848,070)
- Deferred Tax	(13) & (33)	6,448,333	4,583,409
<u>Net Profit After Tax</u>		<u>528,843,425</u>	<u>472,017,936</u>
- Minority Interest		462,579	324,363
<u>Bank Shareholders</u>		<u>528,380,846</u>	<u>471,693,573</u>
<u>Earning Per Share</u>			
Basic	(14)	1.46	1.43
Diluted	(14)	1.42	1.39

Hisham Ezz El-Arab
Chairman
& Managing Director

S.A.E
Consolidated Cash Flow For The Period Ended
Mar. 31, 2010

	<u>Mar. 31, 2010</u>	<u>Mar. 31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
<u>Cash Flow From Operating Activities:-</u>		<u>(Restated)</u>
- Net Income Before Tax	625,800,230	554,282,597
 <u>Adjustments To Reconcile Net Income To Net Cash Provided By Operating Activities</u>		
- Depreciation	46,300,528	47,517,609
- Provisions (Formed During The Period)	33,833,418	37,566,244
- Trading Financial Investments Evaluation Differences	(14,065,167)	(9,294,939)
- Intangible Assets Amortization	(16,866,810)	(16,866,810)
- Goodwill Amortization	(10,023,361)	-
- Impairment Of Assets	(1,296,453)	(2,329,265)
- Utilization Of Provisions (Except Provision For Doubtful Debts)	(1,361,150)	(5,012,830)
- Provisions No Longer Used	(37,914,910)	-
- Fcy Revaluation Differences Of Provisions Balances (Except Doubtful Debts)	409,559	2,899,477
- Profits From Selling Fixed Assets	(1,833,430)	(609,735)
- Profits From Selling Financial Investments	(62,495,543)	(7,567,855)
- Fcy Revaluation Diff.Of Long Term Loans	(886,352)	(560,550)
- Share Based Payments	18,922,217	20,419,257
	578,522,774	620,443,200
 <u>Net Decrease (Increase) In Assets</u>		
- Due From Banks	24,633,442	(2,414,402,063)
- Treasury Bills And Other Governmental Notes	1,454,263,087	202,115,319
- Trading Financial Assets	(60,599,634)	(254,653,950)
- Financial Derivatives (Net)	23,862,901	(55,017,097)
- Loans And Overdrafts	(2,087,309,696)	(434,661,139)
 <u>Net Increase (Decrease) In Liabilities</u>		
- Debit Balances And Other Assets	(247,822,932)	194,345,944
- Due To Banks	603,415,124	1,916,074,630
- Customers Deposits	3,514,294,047	2,374,571,801
- Credit Balances And Other Liabilities	244,539,821	(333,067,366)
 <u>Net Cash Provided From Operating Activities</u>	4,047,798,934	1,815,749,279

S.A.E
Consolidated Cash Flow For The Period Ended
Mar. 31, 2010

	<u>Mar. 31, 2010</u>	<u>Mar. 31, 2009</u>
	<u>EGP</u>	<u>EGP</u> <u>(Restated)</u>
<u>Cash Flow From Investing Activities:-</u>		
- Investments in Associated Companies	(12,112,913)	(245,505)
- Purchase Of Fixed Assets , Premises And Fitting- Out Of Branches	(5,707,103)	(64,857,088)
- Redemption Of Held To Maturity Financial Investments	33,318,731	33,520,654
- Held To Maturity Financial Investment Purchases	(10,944,014)	(9,181,620)
- Available For Sale Financial Investment	(1,477,911,433)	(2,755,596,086)
- Real estate investments	-	3,839,052
<u>Net Cash (Used In) Provided From Investing Activities</u>	<u>(1,473,356,731)</u>	<u>(2,792,520,593)</u>
<u>Cash Flow From Financing Activities:-</u>		
- Increase (Decrease) In Long - Term Loans	(3,120,639)	7,041,206
- Dividends Paid	(661,806,331)	(478,236,553)
<u>Net Cash (Used In) Financing Activities</u>	<u>(664,926,970)</u>	<u>(471,195,347)</u>
Net Cash And Cash Equivalent Changes	1,909,515,233	(1,447,966,661)
Beginning Balance Of Cash And Cash Equivalent	10,230,779,568	8,778,740,569
<u>Cash And Cash Equivalent Balance At The End Of The Period</u>	<u>12,140,294,802</u>	<u>7,330,773,908</u>
<u>Cash And Cash Equivalent Are Represented As Follows:-</u>		
- Cash And Due From Central Bank	4,098,896,337	5,118,485,646
- Due From Banks	8,080,344,588	8,456,786,434
- Treasury Bills And Other Governmental Notes	13,575,742,969	10,699,658,592
- Due From Banks (Time Deposits)	(7,484,826,893)	(8,143,399,335)
- Treasury Bills With Maturity More Than Three Months	(6,129,862,199)	(8,800,757,429)
<u>Total Cash And Cash Equivalent</u>	<u>12,140,294,802</u>	<u>7,330,773,908</u>

S.A.E
Consolidated Statement of Changes in Shareholders' Equity as of
Mar. 31, 2010

<u>2009</u>	Capital EGP	Legal Reserve EGP	General Reserve EGP	Intangible Assets Value For Bank Share Before Acquisition EGP	Retained Earning EGP	Special Reserve EGP	Reserve For A.F.S Investments Revaluation Diff. EGP	Banking Risks Reserve EGP	Profits Of The Year EGP	Reserve For Employee Stock Ownership Plan (ESOP) EGP	Total Shareholders Equity EGP
- Beginning Balance	2,925,000,000	432,851,511	407,547,602	302,794,421	87,845,690	185,993,785	(20,985,045)	-	1,370,592,742	86,727,903	5,778,368,609
- Effect Of Adjusting Accounting Standards	-	-	-	-	-	20,536,766	-	-	-	-	20,536,766
- Beginning Balance After Adjustments	2,925,000,000	432,851,511	407,547,602	302,794,421	87,845,690	206,530,551	(20,985,045)	-	1,370,592,742	86,727,903	5,798,905,375
- Transferred To Reserves	-	80,755,023	1,056,108,883	-	-	-	-	-	(1,136,863,906)	-	-
- Transfer To Retained Earning	-	-	-	-	(244,507,717)	-	-	-	244,507,717	-	-
- Dividends Paid	-	-	-	-	-	-	-	-	(478,236,553)	-	(478,236,553)
- Net Profits Of The Year	-	-	-	-	-	-	-	-	1,734,891,714	-	1,734,891,714
- Change During the Year	-	-	(152,185)	-	(1,023,965)	-	-	-	-	-	(1,176,150)
- Addition from Financial Investment Revaluation	-	-	-	-	-	-	(86,139,721)	-	-	-	(86,139,721)
- Reserve For Employees Stock Ownership Plan (ESOP)	-	-	-	-	-	-	-	-	-	75,001,081	75,001,081
- Effect Of Adjusting Accounting Standards	-	-	-	-	(18,601,847)	-	-	26,652,790	(26,652,790)	-	(18,601,847)
Balance At The End Of The Year	2,925,000,000	513,606,534	1,463,504,300	302,794,421	(176,287,838)	206,530,551	(107,124,766)	26,652,790	1,708,238,924	161,728,984	7,024,643,899

<u>2010</u>	Capital EGP	Legal Reserve EGP	General Reserve EGP	Intangible Assets Value For Bank Share Before Acquisition EGP	Retained Earning EGP	Special Reserve EGP	Reserve For A.F.S Investments Revaluation Diff. EGP	Banking Risks Reserve EGP	Profits Of The Year EGP	Reserve For Employee Stock Ownership Plan (ESOP) EGP	Total Shareholders Equity EGP
- Beginning Balance	2,925,000,000	513,606,534	1,463,504,300	302,794,421	(176,287,838)	206,530,551	(107,124,766)	26,652,790	1,708,238,924	161,728,984	7,024,643,899
- Transferred To Reserves	-	87,847,835	1,010,739,284	-	-	-	-	-	(1,098,587,119)	-	-
- Transferred To Retained Earning	-	-	-	-	(37,980,544)	(22,173,982)	-	-	52,154,526	-	(8,000,000)
- Dividends Paid	-	-	-	-	-	-	-	-	(661,806,331)	-	(661,806,331)
- Net Profit Of The Period	-	-	-	-	-	-	-	-	528,380,846	-	528,380,846
- Change During the Year	-	-	-	-	1,594,467	-	-	-	-	-	1,594,467
- Addition from Financial Investment Revaluation	-	-	-	-	-	-	84,127,558	-	-	-	84,127,558
- Effect Of Adjusting Accounting Standards	-	-	-	-	-	-	-	44,378,643	(44,378,643)	-	-
- Reserve For Employees Stock Ownership Plan (ESOP)	-	-	-	-	-	-	-	-	-	18,922,217	18,922,217
- Revaluation Differences of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-
Balance At The End Of The Period	2,925,000,000	601,454,369	2,474,243,584	302,794,421	(212,673,915)	184,356,569	(22,997,208)	71,031,433	484,002,203	180,651,201	6,987,862,656

(6) Net Interest Income

	<u>Mar.31, 2010</u> <u>EGP</u>	<u>Mar.31, 2009</u> <u>EGP</u>
- Interest Received from Loans and similar items:-		
- Banks	20,362,909	47,339,471
- Clients	500,353,138	574,310,917
	<u>520,716,047</u>	<u>621,650,388</u>
- Treasury Bills and Bonds	328,671,993	316,701,203
- Reverse Repose	240,209	26,351,249.26
- Financial Investment In Held to Maturity and Available for Sale Debt Instruments	186,201,041	84,871,911
- Other	1,627	(1,662)
<u>Total</u>	<u>1,035,830,917</u>	<u>1,049,573,089</u>
- Interest Paid on deposits and similar items:-		
- Banks	15,414,399	30,305,517
- Clients	500,398,594	500,608,201
	<u>515,812,993</u>	<u>530,913,718</u>
- Other	196,909	425,854
<u>Total</u>	<u>516,009,902</u>	<u>531,339,572</u>
<u>Net</u>	<u>519,821,015</u>	<u>518,233,517</u>

(7) Net Income From Fees & Commissions

	<u>Mar.31, 2010</u> <u>EGP</u>	<u>Mar.31, 2009</u> <u>EGP</u>
<u>Fees & Commissions Income :</u>		
Fees & Commissions Related to Credit	124,662,435	98,936,368
Custody Fees	40,301,663	11,074,246
Other Fees	66,399,398	57,832,774
<u>Total</u>	<u>231,363,496</u>	<u>167,843,388</u>
<u>Fees & Commissions Expense :</u>		
Other Fees Paid	(17,151,477)	(16,029,590)
<u>Total</u>	<u>(17,151,477)</u>	<u>(16,029,590)</u>
<u>Net Fees & Commissions</u>	<u>214,212,019</u>	<u>151,813,798</u>

(8) Dividends

	<u>Mar.31, 2010</u> <u>EGP</u>	<u>Mar.31, 2009</u> <u>EGP</u>
Available for Sale Securities	60,651,357	95,161,746
Subsidiaries and Associated	3,472,300	4,545,659
<u>Total</u>	<u>64,123,657</u>	<u>99,707,405</u>

(9) Trading Net Profit

	<u>Mar.31, 2010</u> <u>EGP</u>	<u>Mar.31, 2009</u> <u>EGP</u>
- Profit From Foreign exchange	75,053,936	81,813,058
- (Losses) From Revaluations of Trading Assets and Liabilities in Foreign Currencies	(392,746)	1,433,237
- Profit From Forward Foreign exchange Deals Revaluation	(4,192,906)	5,935,047
- (Losses) Profit From Interest Rate Swaps Revaluation	(10,479,717)	5,844,465
- (Losses) Profit From Swap Deals Revaluation	(1,926,175)	(342,130)
- Trading Debt Instruments	11,125,580	61,078,853
- Trading Equity Instruments	14,409,513	(4,756,807)
<u>Total</u>	<u>83,597,485</u>	<u>151,005,723</u>

(10) <u>Administrative Expenses</u>	<u>Mar.31, 2010</u>	<u>Mar.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
<u>Personnel costs</u>		
- Wages & Salaries	145,548,381	94,552,086
- Social Insurance	6,437,041	6,275,601
- Other Benefits	4,454,437	4,604,825
- <u>Other Administrative Expenses</u>	164,342,187	175,834,993
Total	<u>320,782,046</u>	<u>281,267,506</u>
(11) <u>Other Operating (Expenses) Income</u>	<u>Mar.31, 2010</u>	<u>Mar.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
- (Losses) Profits From Assets & Liabilities Revaluation Except Trading	(1,567,464)	(12,411,954)
- Profits From Selling Equipments And Fixed Assets	1,833,430	609,735
- Provision No Longer Used	35,848,354	(25,800,717)
- Others	(12,956,324)	(16,520,206)
Total	<u>23,157,996</u>	<u>(54,123,142)</u>
(12) <u>Return (Losses) Of Impairment From Loans</u>	<u>Mar.31, 2010</u>	<u>Mar.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
Loans And Overdrafts For Customers	(2,014,936)	(11,765,527)
Held to Maturity Financial Investments	103,856	-
Total	<u>(1,911,080)</u>	<u>(11,765,527)</u>
(13) <u>Adjustments to Calculate the Effective Tax Rate</u>	<u>Mar.31, 2010</u>	<u>Mar.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
- Profit Before Tax	625,800,230	554,282,597
- Tax Rate	20%	20%
<u>Income Tax Based On Accounting Profit</u>	<u>125,160,046</u>	<u>110,856,519</u>
<u>Add / (Deduct)</u>		
- Non-Deductible Expenses	33,310	3,339,468
- Tax Exemptions	(23,643,297)	(31,946,432)
- Effect Of Provisions	(4,584,020)	15,106
	(9,234)	-
<u>Income Tax</u>	<u>96,956,805</u>	<u>82,264,661</u>
Effective Tax Rate	15.49%	14.84%
(14) <u>Earning Per Share</u>	<u>Mar.31, 2010</u>	<u>Mar.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
- Net Profit For The Period Available for Distribution	484,002,203	471,102,426
- Board Member's Bonus	(7,260,033)	(7,066,536)
- Staff Profit Sharing	(48,400,220)	(47,110,243)
<u>Shareholders' Share In Profits</u>	<u>428,341,949</u>	<u>416,925,647</u>
- Number Of Shares	292,500,000	292,500,000
<u>Basic Earning Per Share</u>	<u>1.46</u>	<u>1.43</u>
- By Issuance Of ESOP Earning Per Share Will Be:-		
Number Of Shares Including ESOP Shares	300,641,285	299,101,053
<u>Diluted Earning Per Share</u>	<u>1.42</u>	<u>1.39</u>

(15) Cash And Due From Central Bank

	<u>Mar.31, 2010</u> <u>EGP</u>	<u>Dec.31, 2009</u> <u>EGP</u>
- Cash	927,886,163	911,195,861
- Reserve Balance With CBE:-		
- Current Accounts	3,171,010,174	3,268,060,628
<u>Total Cash & Due From Central Bank</u>	<u>4,098,896,337</u>	<u>4,179,256,489</u>
<u>Balances without Interest</u>	<u>4,098,896,337</u>	<u>4,179,256,489</u>

(16) Due From Banks

	<u>Mar.31, 2010</u> <u>EGP</u>	<u>Dec.31, 2009</u> <u>EGP</u>
- Current Accounts	595,517,695	436,687,451
- Deposits	7,484,826,893	7,509,460,335
<u>Total Due From Banks</u>	<u>8,080,344,588</u>	<u>7,946,147,786</u>
- Central Banks (Except Obligatory Reserve)	2,232,765,447	2,121,116,884
- Local Banks	539,876,061	974,205,982
- Foreign Banks	5,307,703,080	4,850,824,920
<u>Total Due From Banks</u>	<u>8,080,344,588</u>	<u>7,946,147,786</u>
- Non Bearing Interest Balances	595,517,695	436,687,451
- Fixed Bearing Interest Balances	7,484,826,893	7,509,460,335
<u>Total Due From Banks</u>	<u>8,080,344,588</u>	<u>7,946,147,786</u>
- Current Balances	8,080,344,588	7,946,147,786
<u>Total Due From Banks</u>	<u>8,080,344,588</u>	<u>7,946,147,786</u>

(17) Treasury Bills And Other Governmental Notes

	<u>Mar.31, 2010</u> <u>EGP</u>	<u>Dec.31, 2009</u> <u>EGP</u>
- 91 Days Maturity	7,530,725,000	5,654,811,592
- 182 Days Maturity	4,950,125,000	4,539,175,000
- 364 Days Maturity	1,485,275,000	3,451,725,000
	<u>13,966,125,000</u>	<u>13,645,711,592</u>
- Unearned Income	(390,382,031)	(446,750,679)
<u>Total Treasury Bills</u>	<u>13,575,742,969</u>	<u>13,198,960,913</u>

(18) Financial Assets For Trading

	<u>Mar.31, 2010</u> <u>EGP</u>	<u>Dec.31, 2009</u> <u>EGP</u>
<u>Debt Instruments:-</u>		
- Government Bonds	75,247,628	75,348,284
- Other Debt Instruments	187,461,371	110,518,274
<u>Total Debt Instruments</u>	<u>262,708,999</u>	<u>185,866,558</u>
<u>Equity Instruments:-</u>		
- Foreign Company Shares	68,926,562	57,624,532
- Mutual Fund	215,855,277	211,661,790
<u>Total Equity Instruments</u>	<u>284,781,838</u>	<u>269,286,322</u>
Funds Managed By Others	18,312,920	35,986,076
<u>Total Financial Assets For Trading</u>	<u>565,803,757</u>	<u>491,138,956</u>

(19) Loans And Overdrafts For Banks

	<u>Mar.31, 2010</u> <u>EGP</u>	<u>Dec.31, 2009</u> <u>EGP</u>
- Time and Term Loans	191,260,819	200,765,433
<u>Total Loans and Overdrafts For Banks</u>	<u>191,260,819</u>	<u>200,765,433</u>
Distributed To:-		
- Non-Current Balances	191,260,819	200,765,433
<u>Net Loans And Overdrafts For Banks</u>	<u>191,260,819</u>	<u>200,765,433</u>

(20) Loans And Overdrafts For Customers

	<u>Mar.31, 2010</u> <u>EGP</u>	<u>Mar.31, 2009</u> <u>EGP</u>
<u>Retail</u>		
- Overdrafts	693,787,829	986,868,989
- Credit Cards	463,872,627	452,129,339
- Personal Loans	1,350,582,571	1,006,597,234
- Real state Loans	361,245,056	291,663,968
<u>Total (1)</u>	<u>2,869,488,082</u>	<u>2,737,259,530</u>
<u>Corporate</u>		
- Overdrafts	3,604,775,360	3,367,186,944
- Direct Loans	17,980,507,506	15,268,369,667
- Syndicated loans	6,365,707,680	7,380,011,341
- Other Loans	60,226,002	27,596,577
<u>Total (2)</u>	<u>28,011,216,547</u>	<u>26,043,164,529</u>
<u>Loans And Overdrafts For Customers (1+2)</u>	<u>30,880,704,630</u>	<u>28,780,424,059</u>
- Unearned Bills Discount	(82,259,038)	(92,637,396)
- Provision For Doubtful Debts	(1,309,965,539)	(1,304,194,446)
- Interest In Suspense	(151,373,781)	(141,285,321)
<u>Net Loans And Overdrafts For Customers</u>	<u>29,337,106,271</u>	<u>27,242,306,896</u>
<u>Distributed To:-</u>		
Current Balances	11,249,134,682	10,362,261,423
Non-Current Balances	18,087,971,589	16,880,045,473
<u>Net Loans And Overdrafts For Customers</u>	<u>29,337,106,271</u>	<u>27,242,306,896</u>

(20) Loans And Overdrafts For Customers (Cont.)

- Analysis Of The Doubtful Debts Provision For Customers

Mar.31, 2010

Retail

	<u>Overdrafts</u>	<u>Credit Cards</u>	<u>Personal Loans</u>	<u>Real state Loans</u>	<u>Total</u>
- Balance At Beginning Of The Period	6,217,574	63,472,214	123,755,953	6,607,506	200,053,247
- Formed During The Period	3,088,988	(7,245,867)	(14,456,958)	1,319,369	(17,294,468)
- Write Off During The Period	-	-	-	-	-
- Recoveries From Written Off Debts	-	321,520	-	-	321,520
- Foreign Currency Revaluation Diff.	-	-	-	-	-
Balance At The End Of The Period	9,306,562	56,547,867	109,298,995	7,926,875	183,080,299

Corporate

	<u>Overdrafts</u>	<u>Direct Loans</u>	<u>Syndicated loans</u>	<u>Other Loans</u>	<u>Total</u>
- Balance At Beginning Of The Period	182,615,379	456,119,614	461,400,856	4,005,349	1,104,141,198
- Formed During The Period	3,209,919	7,918,816	8,110,266	70,404	19,309,404
- Write Off During The Period	-	-	-	-	-
- Recoveries From Written Off Debts	452,101	1,129,216	-	-	1,581,318
- Foreign Currency Revaluation Diff.	-	1,853,320	-	-	1,853,320
Balance At The End Of The Period	186,277,399	467,020,966	469,511,122	4,075,753	1,126,885,240

Dec.31, 2009

Retail

	<u>Overdrafts</u>	<u>Credit Cards</u>	<u>Personal Loans</u>	<u>Real state Loans</u>	<u>Total</u>
Balance At Beginning Of The Year	2,439,210	50,894,643	152,213,149	3,960,474	209,507,476
Formed During The Year	3,778,364	11,412,910	(28,457,196)	2,647,032	(10,618,890)
Write Off During The Year	-	(63,301)	-	-	(63,301)
Recoveries From Written Off Debts	-	1,227,962	-	-	1,227,962
Foreign Currency Revaluation Diff.	-	-	-	-	-
Balance At The End Of The Year	6,217,574	63,472,214	123,755,953	6,607,506	200,053,247

Corporate

	<u>Overdrafts</u>	<u>Direct Loans</u>	<u>Syndicated loans</u>	<u>Other Loans</u>	<u>Total</u>
Balance At Beginning Of The Year	187,125,155	451,736,126	485,564,104	4,232,079	1,128,657,464
Formed During The Year	3,031,459	41,692,243	(24,163,248)	(226,730)	20,333,724
Write Off During The Year	(11,186,847)	(54,216,933)	-	-	(65,403,780)
Recoveries From Written Off Debts	3,645,612	19,080,865	-	-	22,726,477
Foreign Currency Revaluation Diff.	-	(2,172,687)	-	-	(2,172,687)
Balance At The End Of The Year	182,615,379	456,119,614	461,400,856	4,005,349	1,104,141,198

(21) Financial derivatives

Derivatives

The bank uses the following financial derivatives for non hedging purposes.

- Forward contracts represents commitments of buying foreign and local currencies including unexecuted spot transactions. Future contracts for foreign currencies and/or interest rates represents contractual commitments to receive or pay net amount on the basis of changes in foreign exchange rates or interest rates, and/or buying or selling foreign currencies or financial instruments in a future date with a fixed contractual price under active financial market.
- Credit risk is considered low, and future interest rate contracts represents future exchange rate contracts negotiated for case by case, these contracts requires financial settlements of any differences in contractual interest rates and prevailing market interest rates on future dates based on contractual amount (nominal value) pre agreed upon.
- Foreign exchange and/or interest rate swap represents commitments to exchange cash flows, resulting from these contracts exchange of currencies or interest (fixed rate versus variable rate for example) or both (meaning foreign exchange and interest rate contracts)/ contractual amounts are not exchanged except for some foreign exchange contracts
- Credit risk is represented in the expected cost of foreign exchange contracts that takes place if other parties default to fulfill their liabilities.
This risk is monitored continuously through comparisons of fair value and contractual amount, and to control continuously through comparisons of fair value and contractual amount, and to control the outstanding credit risk, the bank evaluates other parties using the same methods as in borrowing activities.
- Options contracts in foreign currencies and/or interest rates represents contractual agreements for the buyer (issuer) to seller (holders) as a right not an obligations whether to buy (buy option) or to sell (sell option) at a certain day or within certain period for a certain amount in foreign currency or interest rate. Options contracts are either traded in the market or negotiated between the bank and one of its client (Off balance sheet). The bank exposed to credit risk for purchased options contracts only and in the line of its book cost which represent its fair value.
- The contractual value for some derivatives options considered a base to compare the realized financial instruments on the balance sheet, but it didn't provide indicator on the projected cash flows of the fair value for current instruments, those amounts doesn't reflects credit risk or interest rate risk.
- Derivatives in the banks benefit represent (assets) conversely it represents (liabilities) as a result of the changes in foreign exchange prices or interest rates related to these derivatives. Contractual / expected total amounts of financial derivatives can fluctuate from time to time and also the range through which the financial derivatives can be in benefit of the bank or conversely against its benefit and the total fair value of the financial derivatives in assets and liabilities. hereunder are the fair values of the booked financial derivatives.

For Trading Derivatives

	<u>Notional Amount</u>	<u>Mar.31, 2010</u>		<u>Notional Amount</u>	<u>Dec.31, 2009</u>	
		<u>Assets</u>	<u>Liabilities</u>		<u>Assets</u>	<u>Liabilities</u>
- Foreign Derivatives:-						
- Forward Foreign exchange contracts	2,403,361,834	12,386,321	11,876,548	2,216,238,458	11,313,445	6,610,765
- Currency swap	2,836,136,003	49,334,658	7,379,823	2,282,456,175	59,700,304	8,520,349
- Options	285,447,124	556,252	556,252	1,115,741,508	6,680,711	6,680,711
Total Derivatives (1)		62,277,231	19,812,623		77,694,460	21,811,825
- Interest rate derivatives:-						
- Interest rate Swaps	1,896,935,595	20,235,976	11,743,095	1,468,824,580	25,635,166	6,697,411
Total Derivatives (2)		20,235,976	11,743,095		25,635,166	6,697,411
- Commodity	197,367,253	75,916,132	75,916,132	219,509,800	122,017,594	122,017,594
Total Derivatives (3)		75,916,132	75,916,132		122,017,594	122,017,594
Total Assets (liability) For Trading Derivatives (1+2+3)		158,429,339	107,471,850		225,347,220	150,526,830

(22) Financial Investment

	<u>Mar.31, 2010</u>	<u>Mar.31, 2009</u>	
<u>- Available For Sale Financial Investment:-</u>	<u>EGP</u>	<u>EGP</u>	
- Debt Instruments Listed - Fair Value	8,214,109,693	6,756,292,076	
- Equity Instruments Listed - Fair Value	102,548,332	115,553,654	
- Unlisted Instruments	655,022,555	558,131,421	
<u>Total Available For Sale Financial Investment</u>	<u>8,971,680,580</u>	<u>7,429,977,151</u>	
<u>- Held To Maturity Financial Investment:-</u>			
- Listed Debt Instruments	263,539,985	272,889,366	
- Unlisted Instruments	304,142,506	317,167,843	
<u>Total Held To Maturity Financial Investment</u>	<u>567,682,491</u>	<u>590,057,209</u>	
<u>Total Financial Investment</u>	<u>9,539,363,071</u>	<u>8,020,034,360</u>	
- Listed Balances	7,545,926,691	7,154,182,641	
- Unlisted Balances	1,993,436,380	865,851,719	
	<u>9,539,363,071</u>	<u>8,020,034,360</u>	
- Fixed Interest Debt Instruments	7,269,877,413	5,701,939,359	
- Variable Interest Debt Instruments	1,554,343,239	1,601,779,389	
	<u>8,824,220,653</u>	<u>7,303,718,749</u>	
	<u>Available for Sale</u>	<u>Held to Maturity</u>	<u>Total</u>
	<u>Financial</u>	<u>Financial</u>	
	<u>Investment</u>	<u>Investment</u>	
- Opening Balance 1/1/2009	2,774,965,250	681,263,274	3,456,228,524
- Addition	9,345,814,437	10,130,536	9,355,944,973
- Deduction (Selling - Recovery)	(4,581,571,366)	(100,347,555)	(4,681,918,922)
- Differences In Revaluation Of The Cash Assets In Foreign Currencies	(8,035,073)	(989,046)	(9,024,119)
- Profit From Fair Value Deference	(86,277,201)	-	(86,277,201)
- Deduct - Impairment Losses	(14,918,896)	-	(14,918,896)
<u>Balance At The End Of Year</u>	<u>7,429,977,151</u>	<u>590,057,209</u>	<u>8,020,034,360</u>
- Opening Balance 1/1/2010	7,429,977,151	590,057,209	8,020,034,360
- Addition	2,235,189,914	9,997,505	2,245,187,419
- Deduction (Selling - Recovery)	(778,806,641)	(33,422,587)	(812,229,228)
- Differences In Revaluation Of The Cash Assets In Foreign Currencies	1,192,597	946,509	2,139,106
- Profit From Fair Value Deference	84,127,558	-	84,127,558
- Deduct - Impairment Provision	-	103,856	103,856
<u>Balance At The End Of Period</u>	<u>8,971,680,580</u>	<u>567,682,491</u>	<u>9,539,363,071</u>
	<u>Mar.31, 2010</u>	<u>Mar.31, 2009</u>	
<u>- Profit (Losses) From Financial Investment</u>	<u>EGP</u>	<u>EGP</u>	
Profit From Selling Available For Sale Financial Instruments	57,206,665	(4,780,213)	
(Losses) From Impairment Of Equity Instruments Available For Sale	-	(2,312,308)	
(Losses) Of Impairment From Available For Sale Debt Instruments	1,192,597	4,641,573	
Return (Losses) Of Impairment From Held to Maturity Investments	(1,624)	(3,914)	
	<u>58,397,638</u>	<u>(2,454,862)</u>	

(23) Financial Investments in Associated Companies

	<u>Mar.31, 2010</u>		<u>Dec.31, 2009</u>	
	<u>Value (EGP)</u>	<u>%</u>	<u>Value (EGP)</u>	<u>%</u>
- Commercial International life insurance co.	27,081,266	45	23,036,454	45
- Corplease co.	43,662,426	40	34,379,405	40
- Cotecna Trade Support	0	39	0	39
- Haykala for Investment	1,613,368	40	2,247,898	40
- Egypt Factors	3,615,324	39	5,652,750	39
- International. Co. for Appraisal and Collection.	1,704,178	40	2,292,338	40
- International Co. for Security and Services (Falcon)	9,186,997	40	7,141,800	40
Total	86,863,558		74,750,645	

The Financial Investments in Associated companies are represented as follows :-

- Financial Investments Unlisted in Stock Exchange	86,863,558	74,750,645
Total	86,863,558	74,750,645

(24) Real estate investments *

<u>Assets</u>	<u>Mar.31, 2010</u>	<u>Dec.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
	<u>Book value</u>	<u>Book value</u>
- Building number 17 tiba st. Eldokki next to shooting club	7,600,000	7,600,000
- Commercial unit number f 35 in arkadia mall (14 elbahr st. Boulak kornish el nile)	361,200	361,200
- Floor 3 building number 131 eltahriri st. Eldokki + part of the garage	3,239,200	3,239,200
- Appartment in the first floor 230 meters elmadina tower elgomhoria st. Port said	1,000,000	1,000,000
- 338.32 meters on a land and building the property number 16 elmakrizi st. Heliopolis	1,650,000	1,650,000
- Villa number 27/291 elgamil portsaid	225,000	225,000
- Villa number 113 royal hills 6th of october	2,500,000	2,500,000
- A land area with 1468.85 meters elsaidi basin -markaz nabrouh eldakahlia	1,321,965	1,321,965
- Land and a bulding in elmansoura elnahda street 766.3 meters	7,663,000	7,663,000
- Agricultural area 1 feddan 14t and 17.25 shares near el azazi fakous elsharkia	322,000	322,000
- Land number 16 mit khamis elmansoura (3 carats, 15 share)which equals 645 meters	1,935,000	1,935,000
- land with a villa model number 10 on land number 219 Elshorouk 2000 compound villas	2,525,500	2,525,500
- Agricultral area 27 feddans 19 carats markaz shebin eldakahlia	7,225,833	7,225,833
- Agricultral area 19 feddans 17 carats El-Hesas El-Dakahlia	4,916,666	4,916,666
Total	42,485,364	42,485,364

(25) Debit Balances and Other Assets

	<u>Mar.31, 2010</u>	<u>Dec.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
- Accrued Revenues	461,898,301	451,247,581
- Prepaid Expenses	74,925,349	71,046,513
- Advances for Purchase of Fixed Assets	54,860,374	89,060,595
- Accounts receivable and Other Assets**	580,366,752	347,073,376
- Assets Acquired as Settlement of Debts	4,630,353	4,630,353
	1,176,681,129	963,058,418

* This Include The Value Of Premises That Was Not Recorded Under The Bank's Name By EGP 34.884.964 Which Were Acquired Against Settlement Of The Debts Mentioned Above, In The Same Time The Legal Procedures Are Under Process To Register Or Sell These Assets Within The period required by law.

** Include EGP 8,331,048 as Assets Held For Sale.

(26) Net Fixed Assets**Mar.31, 2010**

	Land	Premises	IT	Vehicles	Fitting -Out	Machines & Equipment	Furniture & Furnishing	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Opening Balance (3)	77,943,180	333,931,594	651,140,471	24,906,765	235,612,855	238,024,201	106,675,098	1,668,234,164
Additions (Deductions) During The Period	(17,395,000)	49,576,247	4,589,087	(51,500.00)	2,220,392	1,315,788	1,485,740	41,740,754
Closing Balance (1)	60,548,180	383,507,841	655,729,558	24,855,265	237,833,247	239,339,989	108,160,838	1,709,974,918
Accu.Depreciation at Beginning of The Year (4)	-	122,545,577	415,058,452	22,820,614	167,756,764	134,767,789	55,681,975	918,631,171
Current Period Depreciation	-	4,031,594	22,285,177	249,123	10,677,760	6,625,153	2,431,721	46,300,528
Accu.Depreciation at End of The Year (2)	-	126,577,171	437,343,629	23,069,737	178,434,524	141,392,942	58,113,696	964,931,699
End of Period Net Assets (1-2)	60,548,180	256,930,670	218,385,929	1,785,528	59,398,723	97,947,047	50,047,142	745,043,219
Beginning of Period Net Assets (3-4)	77,943,180	211,386,017	236,082,019	2,086,151	67,856,091	103,256,412	50,993,123	749,602,993

Depreciation Rates**%5****%20****%20****%33.3****33%****20%**

- Net Fixed Assets Value On The Balance Sheet Date Includes EGP 63,561,697 Non Registered Assets While Their Registrations Procedures Are In Process.

(27) Due To Banks

	<u>Mar.31, 2010</u>	<u>Dec.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
- Current Accounts	161,560,353	258,145,229
- Deposits	900,000,000	200,000,000
	<u>1,061,560,353</u>	<u>458,145,229</u>
- Central Banks	30,686,595	33,070,672
- Local Banks	922,731,911	215,963,990
- Foreign Banks	108,141,847	209,110,567
	<u>1,061,560,353</u>	<u>458,145,229</u>
- Non Bearing Interest Balances	161,560,353	258,145,229
- Fixed Bearing Interest Balances	900,000,000	200,000,000
	<u>1,061,560,353</u>	<u>458,145,229</u>
- Current Balances	161,560,353	258,145,229
- Non-Current Balances	900,000,000	200,000,000
	<u>1,061,560,353</u>	<u>458,145,229</u>

(28) Customers Deposits

	<u>Mar.31, 2010</u>	<u>Dec.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
- Demand Deposits	14,637,593,827	14,296,409,936
- Time Deposits	22,326,000,491	21,669,911,514
- Certificates of Deposit	12,380,152,906	9,805,872,397
- Saving Deposits	7,906,117,894	8,024,613,798
- Other Deposits	913,083,451	851,846,877
	<u>58,162,948,569</u>	<u>54,648,654,522</u>
- Corporate Deposits	19,463,024,500	18,518,700,820
- Retail Deposits	38,851,964,375	36,129,953,702
	<u>58,314,988,875</u>	<u>54,648,654,522</u>
- Non Bearing Interest Balances	15,550,677,278	15,148,256,813
- Floating Bearing Interest Balances	6,538,430	10,746,100
- Fixed Bearing Interest Balances	42,605,732,861	39,489,651,609
	<u>58,162,948,569</u>	<u>54,648,654,522</u>
- Current Balances	45,698,758,325	44,757,686,685
- Non-Current Balances	12,464,190,244	9,890,967,837
	<u>58,162,948,569</u>	<u>54,648,654,522</u>

(29) Long Term Loans

	<u>Rate</u>	<u>Maturity Date</u>	<u>Maturing Through</u>	<u>Balance as of</u>	<u>Balance as of</u>
	<u>%</u>		<u>Next Year</u>	<u>Mar.31, 2010</u>	<u>Dec.31, 2009</u>
			<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
- F.I.S.C.	7	3-5 years	15,088,497	34,314,000	36,314,000
- KFW Private Sector Industry (Phase II)	9 - 10.5	10 YEARS	5,004,762	12,661,733	9,581,678
- UNIDO	1	2011	1,349,330	1,378,028	2,249,926
- Agricultural Research and Development Fund (ARDF)	3.5 - 5.5 depends on maturity date	3-5 years	18,577,540	29,826,191	33,687,857
- Ministry of Agriculture (V.S.P)	3.5 - 5.5 depends on maturity date	3-5 years	40,000	60,000	60,000
- Social Fund	3 months T/D or 9% which more	2010	679,250	1,096,241	1,485,844
- Spanish Microfinance Loan	0.5	2012	45,403	9,893,858	9,857,737
Total			<u>40,784,782</u>	<u>89,230,051</u>	<u>93,237,042</u>

(30) Credit Balances and Other Liabilities

	<u>Mar.31, 2010</u>	<u>Mar.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
- Accrued Interest Payable	188,117,961	168,854,663
- Accrued Expenses	88,559,764	95,935,714
- Accounts Payable	771,153,161	461,958,941
- Income Tax	98,518,063	306,398,840
- Other Credit balances	253,698,993	128,871,410
Total	<u>1,400,047,942</u>	<u>1,162,019,568</u>

(31) Other Provisions

	<u>Mar.31, 2010</u>					
	<u>EGP</u>					
	<u>Opening</u> <u>Balance</u>	<u>Formed</u> <u>During the Year</u>	<u>FCY Balance</u> <u>Reval. Difference</u>	<u>Usage</u> <u>During the Year</u>	<u>Balance</u> <u>No Longer Required</u>	<u>Closing</u> <u>Balance</u>
- Provision For Income Tax Claims	155,953,095	-	-	-	(20,000,000)	135,953,095
- Provision For Legal Claims	3,862,273	67,800	-	-	(360,740)	3,569,333
- Provision For Contingent	281,592,486	-	412,905	-	(17,554,170)	264,451,221
- Provision For Other Claim	8,356,874	-	(3,346)	(1,361,150)	-	6,992,378
- Provision For End Of Service	291,765	20,676	-	-	-	312,441
Total	450,056,493	88,476	409,559	(1,361,150)	(37,914,910)	411,278,468

	<u>Dec.31, 2009</u>					
	<u>EGP</u>					
	<u>Opening</u> <u>Balance</u>	<u>Formed</u> <u>During the year</u>	<u>FCY Balance</u> <u>Reval. Difference</u>	<u>Usage</u> <u>During the year</u>	<u>Balance</u> <u>No Longer Required</u>	<u>Closing</u> <u>Balance</u>
- Provision For Income Tax Claims	155,953,095	-	-	-	-	155,953,095
- Provision For Legal Claims	1,271,113	3,298,742	-	(190,504)	(517,078)	3,862,273
- Provision For Contingent	244,688,780	37,653,452	(749,746)	-	-	281,592,486
Provision For Other Claim	8,723,449	9,455,000	25,167	(6,346,855)	(3,499,887)	8,356,874
Provision For End Of Service	383,640	137,875	-	(229,750)	-	291,765
Total	411,020,077	50,545,069	(724,579)	(6,767,109)	(4,016,965)	450,056,493

(32) Shareholders Equity**(A) Capital:-**

- The authorized capital reached EGP 5000 million according to the extraordinary general assembly decision on 19 Mar,2006
- Issued and paid in capital reached EGP 2,950,721,800 to be divided on 295,072,180 shares with EGP 10 par value for each share on 21/04/2010 according to board of directors decision on 11/11/2009 by using 25,721,800 million after shares issuance of first tranche for E.S.O.P program.
- The extraordinary general assembly approved in the meeting of 26 June,2006 to activate a motivating and rewarding program for the bank's employees and managers through employee share ownership plans (ESOP) by issuing a maximum of 5% of issued and paid-in capital at par value ,through 5 years starting 31,dec 2006 and delegated the board of directors to establish the rewarding terms and conditions and increase the paid in capital according to the program.
- Dividend deducted from shareholders' equity in the period in which the General Assembly recognizes the shareholders of this dividend, which includes the share of workers in the profits and remuneration of the Board of Directors stated in the law

(B) Reserves:-

- According to the bank statues 5% of net profit is to increase legal reserve until reaches 50% of the bank's issued and paid in capital
- Concurrence of central bank of Egypt for usage of special reserve is required.

(33) Deferred Tax Assets and Liabilities

	<u>Assets (liabilities)</u> <u>Mar.31, 2010</u>	<u>Assets (liabilities)</u> <u>Dec.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
Deferred tax assets and liabilities are attributable to the following:		
- Fixed Assets (Depreciation)	(24,853,423)	(29,507,214)
- Other Provisions(Excluded Loan Loss, Contingent Liabilities And Income Tax Provisions)	2,785,942	3,045,281
- Other Items(Other Investments Revaluation Difference)	31,517,523	31,517,523
- Reserve For Employee Stock Ownership Plan (ESOP)	35,830,877	32,176,996
Total	<u>45,280,919</u>	<u>37,232,586</u>

(34) Share-Based Payments

- According to the extraordinary general assembly meeting on June 26, 2006, the bank launched new employees share ownership plan (ESOP) scheme and issued equity-settled share-based payments. Such employees should complete a term of 3 years of service in the bank to have the right in ordinary shares at face value (right to share) that will be issued on the vesting date; otherwise such grants will be forfeited. Equity-settled share-based payments are measured at fair value at the grant date, and expensed on a straight-line basis over the vesting year (3 years) with corresponding increase in equity based on estimated number of shares that will eventually vest. The fair value for such equity instruments is measured by use of Black-Scholes pricing model.

Details of the rights to share outstanding during the Year are as follows:

	<u>Number of Shares</u>
- Outstanding At The Beginning Of The Year	6,447,102
- Granted During The Year	1,694,183
- Forfeited During The Year	-
- Exercised During The Year	-
- Expired During The Year	-
- Outstanding At The End Of The Year	<u>8,141,285</u>

- The estimated fair value of the equity instrument granted to the first tranche is EGP 30.54 .
- The estimated fair value of the equity instrument granted to the second tranche is EGP 54.12 .
- The estimated fair value of the equity instrument granted to the third tranche is EGP 27.40 .
- The estimated fair value of the equity instrument granted to the forth tranche is EGP43.40 .

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- The equity instrument fair value for the first, second and third trenches have been adjusted to reflect the dilution effect of the Stock dividend that took place in 2009.

(35) Reserves and Retained Earnings

	<u>Mar.31, 2010</u>	<u>Dec.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
- Legal Reserve	601,454,369	513,606,534
- General Reserve	2,474,243,584	1,463,504,300
- Retained Earning	(212,673,915)	(176,287,838)
- Special Reserve	184,356,569	206,530,551
- Reserve For A.F.S Investments Revaluation Diff.	(22,997,208)	(107,124,766)
- Banking Risks Reserve	71,031,433	26,652,790
- Intangible Assets Value For Bank Share Before Acquisition	302,794,421	302,794,421
Total Reserves and Retained Earnings at the End of the period	<u><u>3,398,209,252</u></u>	<u><u>2,229,675,991</u></u>
A- <u>Banking Risks Reserve</u>	<u>Mar.31, 2010</u>	<u>Dec.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
- Opening Balance	26,652,790	-
- Effect Of Adjusting Accounting Standards	44,378,643	26,652,790
Ending Balance	<u><u>71,031,433</u></u>	<u><u>26,652,790</u></u>
B- <u>Legal Reserve</u>	<u>Mar.31, 2010</u>	<u>Dec.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
- Opening Balance	513,606,534	432,851,511
- Transferd from Profits	87,847,835	80,755,023
Ending Balance	<u><u>601,454,369</u></u>	<u><u>513,606,534</u></u>
C- <u>Reserve For A.F.S Investments Revaluation Diff.</u>	<u>Mar.31, 2010</u>	<u>Dec.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
- Opening Balance	(107,124,766)	(20,985,045)
- Gains (Losses) from A.F.S Investment Revaluation	84,127,558	(86,139,721)
Ending Balance	<u><u>(22,997,208)</u></u>	<u><u>(107,124,766)</u></u>
D- <u>Retained Earning</u>	<u>Mar.31, 2010</u>	<u>Dec.31, 2009</u>
	<u>EGP</u>	<u>EGP</u>
- Opening Balance	(176,287,838)	87,845,690
- Dividends of the previous year	(60,154,526)	(244,507,717)
- Change During the Year	1,594,467	(1,023,965)
- Transferred To Special Reserve	22,173,982	-
- Effect Of Adjusting Accounting Standards		(18,601,847)
Ending Balance	<u><u>(212,673,915)</u></u>	<u><u>(176,287,838)</u></u>

(36) Cash And Cash Equivalent

	<u>Mar. 31, 2010</u> <u>EGP</u>	<u>Dec. 31, 2009</u> <u>EGP</u>
- Cash And Due From Central Bank	4,098,896,337	4,179,256,489
- Due From Banks	8,080,344,588	7,946,147,786
- Treasury Bills And Other Governmental Notes	13,575,742,969	13,198,960,913
- Due From Banks (Time Deposits)	(7,484,826,893)	(7,509,460,335)
- Treasury Bills With Maturity More Than Three Months	(6,129,862,198)	(7,584,125,285)
Total Cash And Cash Equivalent	<u>12,140,294,803</u>	<u>10,230,779,568</u>

(37) Contingent Liabilities And Commitments**(A) Legal Claims**

There are a number of existing cases filed against the bank in 31/03/2010 without provision as it's not expected to make any losses from it.

(B) Capital Commitments**- Financial Investments:-**

The capital commitments for the financial investments reached on the date of financial position EGP 137,825,829 as follows:-

	<u>Investments value</u> <u>EGP</u>	<u>Paid</u> <u>EGP</u>	<u>Remaining</u> <u>EGP</u>
- Available for Sale Financial Investments	489,366,617	352,140,788	137,225,829
- Financial Investments in associates Co.	1,200,000	600,000	600,000

- Fixed Assets and Branches Constructions:-

The value of Commitments for the purchase of fixed assets contracts and branches constructions that have not been implemented till the date of financial statement amounted to EGP 5.193.252

(C) Loans, Facilities and Gurantees Commitments

	<u>Mar.31, 2010</u> <u>EGP</u>	<u>Mar.31, 2010</u> <u>EGP</u>
- Letters Of Guarantee	10,477,355,369	11,348,196,542
- Letters Of Credit (Import And Export)	700,884,667	820,272,115
- Customers Acceptances	579,351,354	469,403,911
Total	<u>11,757,591,390</u>	<u>12,637,872,568</u>

(38) Comparative Figures

- The Comparative Figures Are Amended To Confirm With The Reclassification Of The Current Year And General Assembly Held on 17th Of March, 2010, Decisions, For Ratifying The Appropriation Account Of Year 2009.
- Some items in income statement and balance sheet have been restated According to Central Bank of Egypt new regulation issued in December 16, 2008 as Follows:-

	<u>Balance Bfore</u> <u>Adjustments Year</u> <u>2009</u>	<u>Balance After</u> <u>Adjustments Year</u> <u>2009</u>
- Loans and Overdrafts for Customers (Net After Provision)	27,102,918,752	27,242,306,896
- Reconciliation Accounts - Credit Balances	1,139,717,462	1,162,019,568
- Other Provisions	380,160,007	450,056,493
- Special Reserve	185,993,785	206,530,551
- Banking Risks Reserve	-	26,652,790
- Provisions (Income Statement)	(42,898,811)	-
- Other Operating (Expenses) Income	(28,322,424)	(54,123,142)
- Return (Losses) Of Impairment From Loans	-	(11,765,527)
- Income Tax	(82,106,651)	(86,848,070)

(39) Mutual Funds

- Osoul Fund

- The Bank established an accumulated return mutual fund under license no.331 issued from capital market authority on 22/02/2005. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 55,552,484 with redeemed value EGP 8,397,869,006.
- The market value per certificate reached EGP 151.17 on 31/03/2010.
- The Bank portion got 1,592,725 certificates with redeemed value EGP 240,772,238.

- Istethmar Fund

- CIB bank established the second accumulated return mutual fund under license no.344 issued from capital market authority on 26/02/2006. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 3,958,432 with redeemed value EGP 329,974,892.
- The market value per certificate reached EGP 83.36 on 31/03/2010.
- The bank portion got 194,744 certificates with redeemed value EGP 16,233,860.

- Aman Fund (CIB and Faisal Islamic Bank Mutual Fund)

- The bank and Faisal Islamic Bank established an accumulated return mutual fund under license no.365 issued from capital market authority on 30/07/2006. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 986,633 with redeemed value EGP 64,062,081 .
- The market value per certificate reached EGP 64.93 on 31/03/2010.
- The bank portion got 38,504 certificates with redeemed value EGP 2,500,065.

(40) Transactions With Related Parties

All Banking Transactions With Related Parties Are Conducted In Accordance With The Normal Banking Practices And Regulations Applied To All Other Customers Without Any Discrimination.

	<u>EGP</u>	
- Loans & Overdrafts	696,186,378	
- Investment in Subsidiary Companies	86,863,558	
- Available For Sale Mutual Fund Managed by Subsidiary	43,909,577	
Customer Deposits	91,336,684	
Contingent Accounts	58,987,412	
	<u>Income</u>	<u>Expenses</u>
	<u>EGP</u>	<u>EGP</u>
- International Co. for Security & Services	834,938	48,690,613
- Corplease Co.	48,586,200	1,166,134
- Commercial International Life Insurance Co.	8,942,224	3,319,179

(40) Good Will & Intangible Assets

- According to Central Bank Of Egypt Regulation Issued in 16/12/2008, an amortization of of 20% annually has been applied on Goodwill starting Year 2010.
- Amortization Amount have been riched EGP 10,023,361.

Intangible Assets which has been acquired at the acquisition date are determined as follows:-

	<u>EGP</u>
- Brand	336,790,272
- Licenses	20,000,000
- Contracts	119,694,389
- Customer Relationships	198,187,745
Total	<u><u>674,672,406</u></u>
- Amortization Till March 2010	(118,067,670)
Net Intangible Assets	<u><u>556,604,736</u></u>