
Annual Report **2007**





ANNUAL REPORT
2007

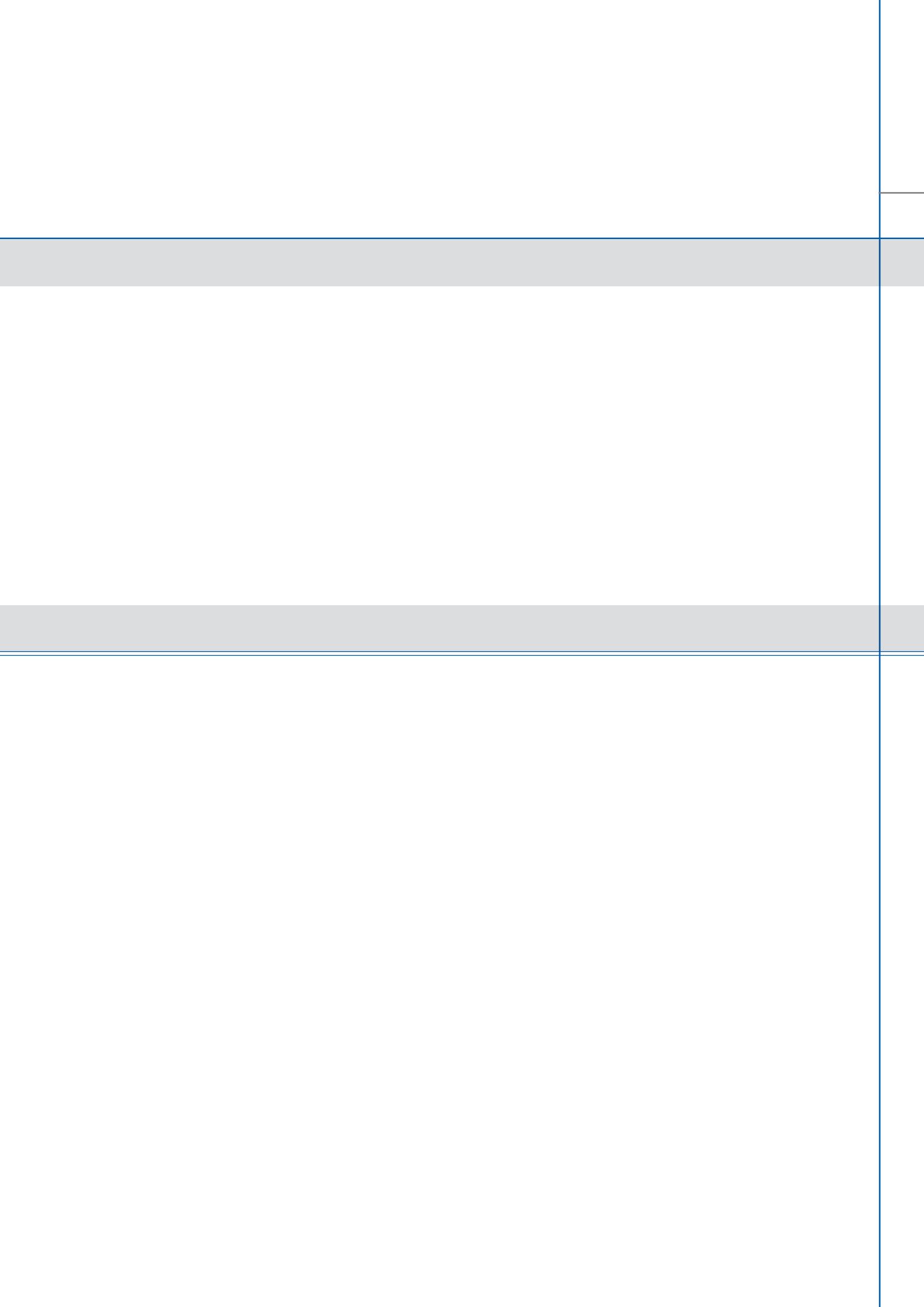


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Financial Highlights

	FY 07 Consolidated	FY 07	FY 06	FY 05	FY 04	FY 03	US\$ Dec. 07 Consolidated	US\$ Dec. 07 (1)
Common Share Information								
Per Share								
-Earning per share (EPS) (2)	6.61	6.32	4.11	3.13	3.89	3.17	1.17	1.12
-Dividends (DPS)	1.00	1.00	1.00	1.00	2.00	1.50	0.18	0.18
-Book Value (BV/No of Share)	22.47	22.05	17.06	13.99	18.53	16.54	4.07	4.00
Share Price								
- High	95.00	95.00	79.00	63.50	42.25	49.30	17.23	17.23
- Low	53.61	53.61	42.11	39.91	22.66	22.00	9.72	9.72
- Closing	91.77	91.77	57.87	58.68	38.96	22.02	16.64	16.64
Shares Outstanding (millions)	195	195	195	130	130	130	195	195
Market Capitalization (millions)	17,895	17,895	11,285	7,628	5,065	2,863	3,245	3,245
Value Measures								
Price to Earnings Multiple (P/E)	13.9	14.5	14.1	12.5	10.0	6.9	13.9	14.5
Dividend Yield (Based on closing share price)	1.09%	1.09%	1.73%	2.56%	5.13%	6.81%	1.09%	1.09%
Dividend Payout Ratio	15.1%	15.8%	24.3%	21.3%	51.4%	47.3%	15.1%	15.8%
Market Value to Book Value Ratio	4.08	4.16	3.39	1.86	2.10	1.33	4.08	4.16
Financial Results (millions)								
Net Operating Income(3)	2,484	2,351	1,741	1,450	1,273	1,012	441	417
Provision for Credit Losses								
-Specific	193	193	176	197	224	200	34	34
-General	57	57	17	43	32	23	10	10
Total	250	250	193	240	257	222	44	44
Non Interest Expense	776	714	668	474	444	296	138	127
Net Profits	1,289	1,232	802	610	506	413	229	219
Financial Measures								
Efficiency Ratio	28.07%	27.05%	34.73%	29.32%	25.82%	25.29%	28.07%	27.05%
Cost : Income	31.21%	30.36%	38.38%	32.72%	34.92%	29.25%	31.21%	30.36%
Return on Average Common Equity	33.22%	32.32%	26.49%	23.76%	22.19%	20.09%	33.22%	32.32%
Net Interest Margin (NII /average interest earning assets)	2.85%	3.27%	3.14%	3.50%	3.10%	3.00%	2.85%	3.27%
Return on Average Assets	3.02%	2.90%	2.37%	2.09%	1.94%	1.88%	3.02%	2.90%
Regular Workforce Headcount	3279	2,946	2,477	2,301	2,109	1,760	3279	2,946
Balance Sheet and Off Balance Sheet information (millions)								
Cash Resources and Securities	22,444	22,516	14,539	11,718	10,783	9,571	4,070	4,083
Net Loans and Acceptances	20,376	20,376	17,465	14,039	13,394	12,505	3,695	3,695
Assets	47,763	47,521	37,422	30,390	27,977	24,153	8,661	8,617
Deposits	39,476	39,515	31,600	24,870	23,979	20,415	7,159	7,166
Common Shareholders Equity (2)	4,382	4,299	3,327	2,727	2,409	2,151	795	780
Average Assets	42,658	42,472	33,906	29,183	26,065	21,956	7,571	7,538
Average Interest Earning Assets	42,052	36,603	29,277	25,619	22,897	19,320	7,464	6,497
Average Common Shareholders Equity	3,879	3,813	3,027	2,568	2,280	2,053	689	677
Balance Sheet Quality Measures								
Common Equity to Risk-Weighted Assets	16.81%	16.49%	14.14%	13.83%	12.71%	12.71%	16.81%	16.49%
Risk-Weighted Assets (billions)	26	26	24	20	19	17	5	5
Tier 1 Capital ratio	N/A	10.20%	11.55%	9.78%	10.07%	10.76%	N/A	10.20%
Total Capital Ratio	N/A	11.73%	12.80%	11.73%	11.41%	12.08%	N/A	11.73%
Adjusted Capital Adequacy Ratio	N/A	14.70%	13.60%	13.10%	12.50%	12.60%	N/A	14.70%
Net Impaired Loans after General Allowances (millions)	(448)	(448)	(333)	(113)	(175)	(106)	(79)	(79)
Net Impaired Loans to Net Loans and Acceptance	-2.20%	-2.20%	-1.90%	-0.81%	-1.31%	-0.85%	-2.20%	-2.20%

(1) Represents the translation of Egyptian pound financial information into US\$ using the rate of December 2007 of \$ 0.1813 for balance sheet figures and the average YTD December 2007 rate of \$ 0.1775 for average balance and income Statements Items

(2) Common Shareholders Equity Starting 2002 including total Net Profit as per new CBE regulation

(3) Starting 2005 Income Statement was amended to aggregate all Market & FCY investment revaluations in one figure.

(4) Per Share ratios for 2005 were adjusted by 2006 number of Shares (195 million Share)

General Comment: All ratios have been amended based on net profit figure before appropriation of income; except for the Capital Adequacy Ratios.

A Letter from the Chairman



2007 was another record year for CIB. The Bank grew its earnings per share for the 30th year of its 32 year history, and has now experienced a compounded annual EPS growth rate of 25% over the last five years. 2007 brought continued impressive growth in both Corporate Banking market share and overall profit margins. The year also marked a period of significant investment in our Retail Banking business, which is well-positioned to take advantage of Egypt's burgeoning retail market. Additionally, the Bank maintained its position as one of the safest banks in the emerging markets, with continued high levels of Capital Adequacy and provision coverage.

As we move through the first part of 2008, I would like to take a moment to highlight a few important points that best summarize the current characteristics of the Bank:

- Largest market capitalization in the Egyptian banking sector
- Most profitable commercial bank in Egypt
- Superior management, high operating standards and premier training programs
- Successful investment in infrastructure over the past few years that will allow the Bank to expand its regional presence
- The strongest brand equity in Corporate Banking in Egypt and the third strongest in Consumer Banking
- Internationally recognized as the Best Bank in Egypt
 - The Banker, Global Finance, Euromoney and Emerging Markets
- Adoption of international best practices regarding Corporate Governance and Disclosure
- Tremendous growth opportunities in Retail and SME banking

Furthermore, not only is CIB well-situated to continue to take advantage of favorable local market conditions, it is also well-equipped to weather any potential economic downturn. This second point is particularly important in light of concerns about a possible global recession.

The past year has undoubtedly been unkind to financial services companies in developed markets.

Emerging market banks and their regulators should not dismiss this crisis as unrelated to their own situations. There are many lessons to be learned. This crisis also provides an excellent opportunity for us to explain to CIB shareholders why we believe we will continue to be successful in the coming years.

So, what happened?

By November 2007, US and EU financial sector companies had already underperformed the FTSE by 18% and 12%, respectively, year-to-date. AA-rated US mortgage-backed securities, which have traditionally been considered "safe" investments, had lost more than 50% of their value (as per the ABX index) during the prior 5-month period. Meanwhile, the cost of insuring against credit defaults had increased from less than 0.5% to 6%. The sum effect of all of this was that EU and US banks were facing trading losses of between 8% and 12% of their total Tier-1 Capital, or approximately US\$ 2 trillion. In the EU, thousands of miles away from the root of the problem in the US, several banks struggled to avoid bankruptcy, and **the UK banking sector suffered the humiliation of the first run on deposits since the 1800s.** In the midst of this predicament, it became clear that **the markets had failed, a stark reminder that liquidity often dries up at the most inopportune moments.**

This put public companies, regulators, and auditors in **a morally-challenging position, as they attempted to quantify and disclose the extent of trading losses.** One key issue was that no one could accurately estimate the trading losses associated with mortgage-backed securities in the absence of liquid trading on those securities. The models which banks used to predict theoretical values in their trading book (what are known as "mark to model" as opposed to "mark to market") also proved unreliable.

What lessons can emerging market banks extract from this crisis? It is obvious that banks' business models and economic transactions have become exceedingly complicated. This has hindered the accounting industry from performing its duties with a high level of efficiency and reliability. Regulators in emerging markets should, therefore, seek to enforce methods that prevent, or at least discourage, practices leading to changes in banks' revenue generating activities, to the extent these practices are too complicated for regulators to analyze. On the other hand, banks should also revisit their risk management processes and revise their business models in light of the lessons learnt from this crisis. No bank

should invest in any financial instrument that the bank's officers and risk managers cannot understand. Banks in emerging markets lack the proper resources and technical skills, and therefore should not indulge in taking positions in overly sophisticated instruments, even if such instruments appear to promise excellent returns.

Another valuable lesson can be drawn from the way banks across the Atlantic differed in their approach to disclosing the methodology behind their valuation of crisis-related assets. There is no doubt that the more transparent approach more recently adopted by US banks will benefit them greatly in the longer term.

At CIB, we have always advocated that a high degree of disclosure and transparency is beneficial for shareholder value. It is also good for the economy as a whole, leading to greater efficiency in the management of assets industry-wide.

CIB is indeed an investor's "safe haven" among emerging market banks, in good as well as troubled times. Our prudent risk management policies and adherence above and beyond the Central Bank of Egypt's strict regulations have enabled us to maintain a high quality loan portfolio and an adequate coverage ratio. In fact, we strongly believe in the regulator's stringent provisioning policies, as operating in emerging markets necessitates such prudent rules. CIB has continuously demonstrated that conservative provisioning policies, even in periods of economic boom, are accretive to long term shareholder value.

On the local scene, the banking industry has benefited from one of the best years on record in terms of economic performance. Rather than being driven by consumption expenditure, as was the case in preceding years, economic growth in the last couple of years has been fuelled by the industrial sector as well as by domestic and foreign new investment. Previous cycles were driven by services, trade and agriculture as opposed to the industrial sector, and by consumption as opposed to investment. Furthermore, this all came during a year in which Egypt was ranked "the most reforming country in the world" by the World Bank.

The competitive dynamics in the banking industry in 2007 confirmed our view of the positive effect of consolidation and foreign ownership of Egyptian banks on the profitability of all banks. CIB experienced expanding margins across all client segments in 2007, with the exception of large syndications in corporate banking, where competition remains intense.

By end of 2007, both investor and consumer confidence in Egypt were very strong, and the country's economic resilience has continued into 2008. Our clients are talking of strong capital expenditure in 2008 and showing significant appetite for both debt and equity capital.

There are more reasons to be optimistic about the local market, even if a developed markets recession materializes. Egypt's recent growth is relatively less dependent on exports to developed countries versus other emerging economies. Additionally, the country's corporate balance sheets have never been more liquid and solvent, with the private sector enjoying more than EGP 150 billion of deposits with the banking sector, compared to less than EGP 270 billion of bank debt and negligible public debt. This illustrates that corporate Egypt has learned from the excess leverage that marked the last cycle during the late nineties. Therefore, we believe that even if Egypt experienced a slowdown due to global conditions, it would likely be short and mild.

Going forward, we intend to solidify our ongoing strategy of capacity building. This strategy is composed of the following key elements:

- Focus on customer-centric relationship management to improve service quality
- Build and maintain the widest and most customer-friendly physical and electronic delivery channels and network of all of the private and multinational banks
- Continue to upgrade execution, service quality and customer satisfaction inside the branch
- Build the widest product portfolio among the Egyptian banks to attract clients who enjoy one-stop-shop services which save both time and money

The Bank aims to continue its focus on what clients tell us we do best, which is servicing the local needs of clients better than our competitors. We also intend to attract for our retail banking business talented leaders who have already experienced success globally and seek to participate in our vision of becoming Egypt's foremost regional bank.

In addition, the Bank will continue its pursuit of viable entry strategies into regional markets where we believe our core competences can be replicated to achieve a sustainable competitive advantage. This will require a tailored entry strategy for each country. For example, in Algeria, we have developed an entry strategy focused on corporate banking for the private sector and specific state-owned enterprises, as well as retail banking services that consist primarily of liability products. We continue to liaise with the Algerian Central Bank to acquire a license there.

In the GCC, we continue to pursue a low cost entry strategy, and intend to adopt a distribution model based on the targeting of non-resident Egyptians. Carefully designed products are being developed to satisfy the unique requirements of these individuals. Within corporate banking, we aim to target specific wholesale/syndicated transactions that make sense for us.

Before I end this year's letter, I also want to honor the lifetime achievements of Mr. Aly Dabbous, who passed away in 2007. Mr. Dabbous was an individual to whom CIB, and indeed, the entire Egyptian banking sector, will always be indebted for his visionary leadership and true friendship.

The business review section of this report will shed light on the Bank's key revenue generating businesses. I am especially pleased with the progress we have made since the reorganization of our Board in early 2006. I draw special notice to the sections regarding information technology, risk management and human resources.



Hisham Ezz Al Arab
Chairman and Managing Director

Board of Directors' Report



Innovation

2007 Overview

Introduction

The Board of Directors is pleased to review the results for the year ending 31/12/2007 at the Annual General Assembly Meeting.

On a consolidated basis, CIB and CI-CH achieved EGP 2,480 million of Net Operating Income and EGP 1,289 million of Net Profit, representing 35.6% and 51.1% growth, respectively. These earnings results include a one time capital gain of EGP 148 million related to the sale of a stake in CI Capital. Excluding this one time item, Net Profit growth would have been 33.7% year-over-year.

Despite strong competition within the banking sector during 2007, CIB not only grew its market share, but also enhanced its profit margins. This was the result of prudent executive management and efficient operations.

To further enhance our competitiveness and efficiency, as well as improve our delivery of services to our corporate banking clients, in 2007 we commenced our migration to T-24, the top ranked universal banking system. In addition, we made significant advances in our retail banking business, including important investments in IT and risk management infrastructure, proper segmentation of our client base, and the development of a more customer-centric model.

During 2007, CIB sustained its position as the market leader and best bank in Egypt. The Bank was recognized by Banker magazine as "Bank of the Year 2007" as well as for the execution of the "Deal of the Year 2007." The Bank was also selected as Global Finance Magazine's "Best Bank in Egypt" for the tenth consecutive year, "Best Foreign Exchange Bank in Egypt" for the seventh straight year, "Best Trade Finance Bank in Egypt" for the third consecutive year, and "Best Provider of Money Market Funds in Africa." In addition, the Bank received the "Straight Through Processing Excellence" Award from Deutsche Bank, and was dubbed the "Strongest Brand in Corporate Banking as well as [the] Third Strongest Brand in Consumer Banking in Egypt," as per AC Nielson.

Major credit rating agencies continued to rate CIB at the country's sovereign ceiling, BB+/Stable/B, while emphasizing that the Bank's rating is capped by Egypt's sovereign rating.

In order to avoid any possible conflict of interest with the Bank's strategy to launch its own branded auto-finance business, CIB decided in 2007 to sell its stake in Contact, the Bank's auto loan affiliate. This divestiture, amounting to a 38.4% ownership position, came as part of the Bank's policy of continuous development and expansion in our retail banking and consumer finance businesses.

In 2007, we remained focused on our main growth strategies. Our two-fold strategy is based on both organic growth and expansion via mergers and acquisitions. Although most of the organic growth is still driven by our corporate and institutional clients, we have also effectively achieved organic growth through the build-up of our retail banking business via branch expansion and re-engineering. We continue to examine opportunities for mergers and acquisitions growth and will aggressively pursue those opportunities that create shareholder value.

The Board believes that the Bank is in an excellent position to meet the challenges of the future, and that it enjoys significant competitive advantages in its strategy to capture opportunities in the under-penetrated Egyptian market.

Macro Overview

During 2007, the Egyptian economy witnessed one of its most impressive performances over the past forty years. Egypt achieved a real GDP growth rate of 7.1%, which is the highest rate since the year of 1985. This strong growth was generated by reforms and solid macro-economic conditions, and illustrated by Egypt's increase in rank to 85th from 127th in the economic freedom index. More significant was the honour bestowed by the World Bank, which ranked Egypt the top reformer in the world during 2007 in its annual Doing Business report.

The nation's economic growth has been driven by productivity increases. Egypt's GDP growth has traditionally been driven by the mining, oil, agriculture and services sectors; for the first time in many years, though, the Egyptian manufacturing sector became a major growth contributor. As a result of economic reforms, total investment grew by almost 34%, reaching EGP 155 billion for the

year 2006/2007, compared to EGP 116 billion in 2005/2006. Even more encouraging was the fact that the private sector was the largest contributor of these investments, a result of the government's reform efforts and its privatization program. Consequently, this led to the attraction of all-time high FDI net inflows, reaching US\$ 11 billion, an 80% increase compared to 2006. Despite this, we remain somewhat concerned regarding the country's high budget deficit, its high levels of sovereign debt, and its above average level of inflation, as well as with the sustainability of growth in investments.

The economy has started to reap the benefits of the banking reform program, evidenced by the increase in total bank borrowings of EGP 382 billion in 2007 compared to EGP 344 billion in 2006, a growth rate of 11%. Private corporate borrowings were EGP 246 billion in 2007 versus EGP 225 billion in 2006, representing a growth rate of 9%.

Private corporate FCY borrowing in particular served as an important catalyst for growth, with an increase of 22% to a record US\$ 14.8 billion. More impressively, this major increase was anchored by lending to both the private industrial (13%) and services sectors (10%).

As a natural result of CIB's focus on private industrial and service businesses, the Bank's average monthly market share of total bank borrowings climbed to 5.7% in 2007, versus 4.9% in 2006. On the FCY lending market side, CIB's average monthly market share increased slightly to 9.2% in 2007, up from 8.1% in 2006.

On the deposits front, the Egyptian banking sector remains very liquid, as evidenced by a 54% utilization ratio. Banks hold significant funding bases that can be injected into the economy to achieve even higher growth rates. In fact, total deposits surged by 19.5% to reach EGP 709 billion in 2007, compared to EGP 594 billion in 2006.

Financial Position

At CIB, we analyze our performance against a broad spectrum of measures, including growth, asset quality, risk management, marketing, collaboration, operations, controls and compliance. We continue to make significant progress on all these fronts. Although we have not yet reached many of our absolute performance goals, the rapid pace of our improvement has made us very positive about the future.

On a consolidated basis, CIB and CI-CH achieved EGP 2,480 million of Net Operating Income and EGP 1,289 million of Net Profit in 2007. The Bank itself contributed EGP 2,347 million of Net Operating Income and EGP 1,232 million of Net Profit, representing 33.5% and 53.7% year-over-year growth, respectively, while CI-CH contributed EGP 133 million of Net Operating Income and EGP 57 million of Net Profit. On a consolidated basis, CIB and CI-CH achieved a Return on Average Assets of 3.0% and a Return on Average Equity of 33.1%.

On a standalone basis, Total Shareholder's Equity and Net Profit increased significantly by 29.2% to EGP 4.3 billion (before appropriation) in 2007, representing 9% of total assets. Furthermore, CIB's equity base remained extremely solid, evidenced by a conservative Capital Adequacy Ratio of 11.7% at the end of 2007, prior to the appropriation of profits. If we account for the proposed appropriation of profits, the Capital Adequacy Ratio was 14.7%.

CIB also continued its persistent efforts to maintain a high quality loan portfolio. Local and international credit risk concerns highlight the urgency of employing prudent risk management policies, capacity building, transparency and full compliance with regulatory capital requirements. The high level of quality of CIB's loan portfolio reflects the seriousness with which we take these principles, and represents one of the major sources of value we offer to our shareholders. CIB's Non Performing Loans to Total Exposure Ratio was only 3.0% as of FYE 2007, down from 3.8% as of FYE 2006. Our overall Loan Loss Provisions Coverage Ratio was 195.7%.

Management's focus on efficiency was reflected in the decrease of the Cost to Income Ratio from 38.4% in 2006 to 30.4% in 2007. Despite increased competition in the market, CIB managed to improve its Net Interest Margin from 3.14% in 2006 to 3.27% in 2007.

CIB's Return on Average Equity (ROAE) and Return on Average Assets (ROAA) have continued to improve, reaching 32.3% and 2.9% in 2007, compared to 26.5% and 2.4%, respectively, in 2006. These results, produced with the support of a still-favorable credit environment, are promising but may be difficult to maintain. Increasing inflation pressures and the government's budget deficit are still major concerns.

During 2007, the Bank hired two key officers from top financial institutions in Compliance and Retail Risk Management to further enhance our management strength. Both individuals bring significant experience in their fields to CIB and will work to build our capabilities in their respective areas.

The Board of Directors is optimistic about the Bank's outlook. This optimism is substantiated by CIB's strong financial, operational and market position, and we are confident that the Bank will continue to maintain its leading position.

Establishing the Retail Banking

CIB's Corporate Banking division has historically been the prime contributor of the Bank's earnings and market share. However, we aggressively expanded our Retail Banking business in 2007. The Bank's management team understood the need for building its retail capabilities as a crucial prerequisite to protecting our asset quality and ensuring sustainable growth. In 2007, we focused on market research, the creation of the retail business plan, branch re-engineering, human capital recruitment, the construction of appropriate IT infrastructure, and the drafting of operational procedures and manuals. In collaboration with an international retail banking consultant, all business and support areas' managers re-examined and re-tooled their mission and vision, operational and service models, and target customer base.

During 2007, the retail business experienced significant developments in its delivery and distribution channels. Since we believe that attracting new clients is the catalyst for our growth and expansion, we decided to open 45 new outlets, initiated a sales team recruitment process, and enhanced our product offering.

Despite a number of recent branch expansions in the banking sector, we believe that Egypt's population is still under-banked. This is evidenced by the consistency of banking density over the past eight years of approximately 21,000 per branch. Total bank branches nationwide reached 3,116 branches in September 2007 (including 1,036 village banks), while the economically active population increased to approximately 29 million individuals.

Achieved Quality Growth & Driving Future Growth

CIB's strategy and vision is to accomplish real, sustainable growth, but not growth at any cost. In the financial services world, it is easy to stretch for growth by reducing underwriting standards or taking on increasingly higher levels of risk. However this runs counter to our principles.

The Bank continues to grow its earnings, but not at the expense of smart, longer-term investments. We continue to invest in the areas that will drive our future growth. Last year CIB opened 19 new outlets, added more than 700 staff, logged 75,000 hours of employee training, and spent over EGP 50 million on IT platform modernization. We have a significant investment plan with respect to our systems and operating infrastructure, while simultaneously focusing on the reduction of operating expenses. Although there is obviously a short-term cost associated with these investments, we believe the long-term benefits will be a significant increase in efficiency and improved quality of our services.

Alternative Growth Strategies

In July 2007, CIB officially applied for a banking license from the Central Bank of Algeria. The Algerian subsidiary is expected to benefit from the booming Algerian economy, especially with many of our corporate customers expanding their operations to Algeria.

In 2007, we also continued to act upon the mandate approved by the General Assembly in March 2006 to pursue the growth of our institution through mergers and acquisitions.

Appropriation of Income

The Board of Directors has proposed the distribution of a dividend per share of EGP 1.00, in addition to increasing both the Legal Reserve by EGP 61.6 million to reach EGP 432.9 million and the General Reserve by EGP 834 million to reach EGP 1,382.5 million after approval by the shareholders at the Annual General Meeting. These actions reinforce the Bank's solid financial position as evidenced by a Capital Adequacy Ratio of 14.7 %.

Corporate Social Responsibility

Given the sense of duty and gratitude CIB feels towards our society, and in continuation of the Bank's history of initiatives within Egypt, we made a number of donations and spearheaded several fundraising efforts in 2007. CIB defines corporate responsibility as the continuing commitment by our business to behave ethically and contribute to Egypt's prosperity while improving the quality of life of the workforce, their families and the local community and society at large. Our organization seeks to build meaningful relationships between the corporate sector and the rest of society.

The function of Corporate Social Responsibility is an important component of CIB's business and is consistent with our mission statement's objective 'to grow and help others grow.' It also supports our objective of contributing to the sustainable development of Egypt's economic growth.

Our community service covers various types of charitable organizations classified into three major fields: Healthcare, Education, and Social Support & Commitment.

Social Involvement:

- **Misr El Khair Foundation**

An organization that promotes education, healthcare services, and food for Egyptians under the poverty line in Upper Egypt.

- **Yahya Arafa Children's Charity Foundation**

A foundation dedicated to helping children who require surgical operations related to the bones and heart.

- **Arafa Charity Foundation**

A foundation dedicated to the provision of healthcare services for impoverished citizens in the Delta region.

- **Ein Shams University Hospital**

A public hospital that serves disadvantaged individuals.

- **Mahmoud Hospital**

A hospital that serves individuals who travel into Cairo from surrounding towns and seek medical attention.

- **Khayrazad Organization for Social Care**

An organization that provides financial support for public hospitals within Cairo.

- **Lung Diseases Center - Faculty of Medicine Menoufeya University**

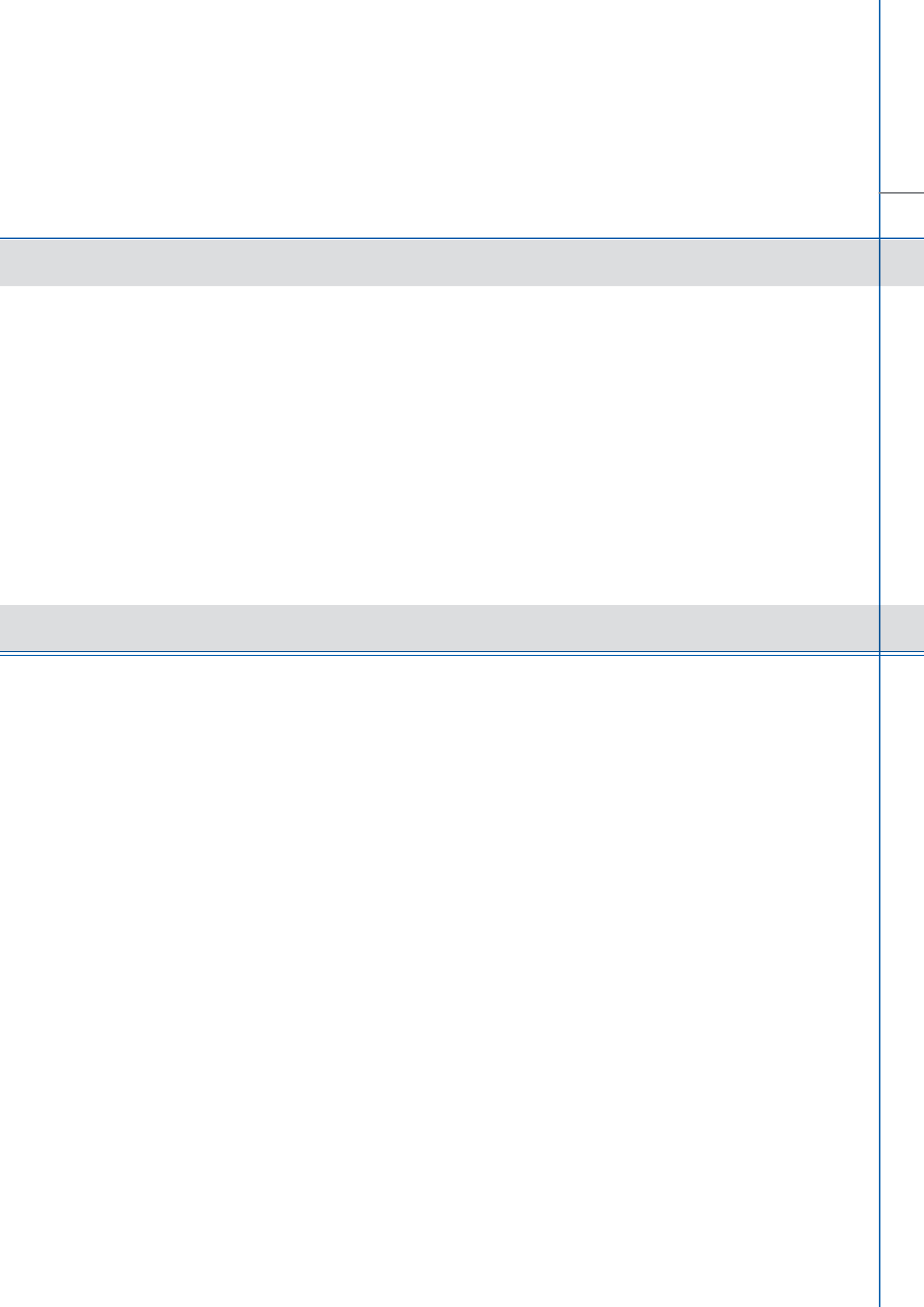
A public university hospital that serves underprivileged individuals in Menoufeya.

- **Center for Social & Preventive Medicine, Faculty of Medicine, Cairo University**

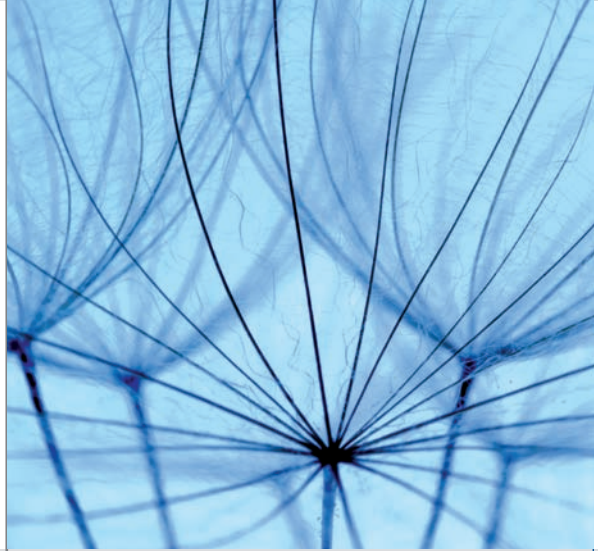
Our donation will be utilized for the renovation of this under-equipped hospital, including an X-ray unit and a dentistry unit.

- **Three public schools**

Three schools have been chosen for renovation in disadvantaged communities in Upper Egypt.



Corporate Governance



Transparency

Corporate governance issues rate high within CIB, both in terms of aligning the interests of shareholders and managers and in terms of the monitoring of management through information disclosure and transparent reporting. CIB adopted a sound and effective system of corporate governance best practice, comprising highly professional executive directors and senior management, competent board committees, independent non-executive directors of experience and integrity, an internal audit and control department equipped with the best qualified and well-trained staff, an efficient investor relations program and two reputable audit firms with an impeccable record of accounting and auditing practice.

Our corporate governance framework ensures that timely and accurate disclosure occurs with respect to material matters regarding the Bank, its ownership, operations and financial performance. It also advocates the equal treatment of all shareholders with sound protection to their voting rights. CIB has a practice of changing auditors every five years to ensure objectivity and to benefit from new practices.

Another important strength is CIB's board composition. The Board is comprised of a majority of non-executive directors who play key roles. The varied expertise of the non-executive directors has created an unusually strong combination of directors, all with relevant knowledge and balanced skills and experience.

The Board of Directors

The Bank's management structure is based upon centralization of controls at the head office and at the top management level. The management of the Bank's business takes guidance from the Board of Directors, which sets the overall strategy and approves all operating policies.

Our Board consists of eight members. The Directors are elected by the shareholders at the General Assembly for a period of three years and meet at least four times per annum. During 2007, the Board of Directors convened 6 times.

A group of experienced business leaders representing Ripplewood Holdings L.L.C., Eton Park Capital Management, RHJ International and International Finance Corporation remains from 2006, as part of the Board, including Robert Willumstad, the former President and Chief Operating Officer of Citigroup, Lucio Noto, the former Chairman and Chief Executive Officer of Mobil Corporation, and Tim Collins, Chief Executive Officer of Ripplewood Holdings. Paul Volcker, former Chairman of the Federal Reserve Bank, serves as Senior Advisor to the Board.

Accordingly, the Board of Directors in its new and expanded form consists of the following individuals:



Hisham Ezz Al-Arab *Chairman and Managing Director*

Hisham Ezz Al-Arab joined CIB in 1999 as Deputy Managing Director and was elected Chairman and Managing Director in September 2002. He has had a wide experience of more than 20 years in global banking activities gained in senior positions at JP Morgan, Merrill Lynch and more recently Deutsche Bank throughout the United Kingdom, Middle East and the United States. He holds a degree in Commerce from Cairo University in 1977.



Sahar El-Sallab *Vice Chairman & Managing Director*

Sahar Sallab is currently Vice Chairman & Managing Director, as well as member of the High Policies Committee. She joined CIB in 1981 from Citibank and has close to 30 years of local and international banking experience. She is also the Chairperson of Commercial International Brokerage Company ("CIBC"). Ms. Sallab is a graduate in Business Administration from the American University in Beirut in 1974.

Mahmoud Fahmy *Member*

Counselor Fahmy is a renowned Egyptian lawyer and international arbitrator. Previously, he was the Chairman of Egyptian Capital Markets Authority, the General Authority for Investments and the Secretary General of the National Council.

William Mikhail *Member and Chairman of the Audit Committee*

Dr. Mikhail is currently professor of econometrics at the American University in Cairo (AUC), and has been member of CIB's Board since 1997. He obtained his Ph.D. from the London School of Economics,

London University, in 1969. Together with his academic career, Dr. Mikhail also worked with international consulting firms and as a U.N. consultant on econometric modelling and economic policy analysis in many countries for more than two decades. He published extensively in econometric theory and applied econometrics in international journals, and supervised many Ph.D. and M.A. theses both in Cairo University and the American University in Cairo.

Dr. Nadia Makram Ebeid *Member*

Dr. Nadia Makram Ebeid is the Executive Director of the Center for Environment and Development for the Arab Region and Europe (CEDARE), an international diplomatic position she assumed since January 2004. For a period of five years starting 1997, Dr. Ebeid was Egypt's first Minister of Environment becoming the first woman to assume this position in the Arab World. During her earlier career, Dr. Ebeid assumed several managerial posts with the United Nations Development Program (UNDP), the United Nations Food and Agriculture Organization's Regional Office for the Near East, Council for Environment and Development Research. In support of her role in environmental policy and advocacy, Dr. Ebeid was awarded numerous awards of recognition and distinctions from local and international NGOs, leading institutions and associations.

Robert Willumstad *Member*

Robert Willumstad is the Chairman of AIG and until recently served as President and Chief Operating Officer of Citigroup and was a member of its Board of Directors. After 20 years with Chemical Bank, and 11 years with Commercial Credit and its successor companies, in October 1998, Mr. Willumstad played a critical role in creating Citigroup, a history making combination of the former Travelers Group and Citicorp. After serving as the Head of Global Consumer Lending, Mr. Willumstad was the Chairman and CEO of Citigroup's Global Consumer Group from 2000 to 2003, where he led all consumer businesses, including credit cards, consumer finance and retail banking. In addition, he had oversight of Citigroup's consumer operations in Western Europe, Japan and Mexico.

Mr. Willumstad was named President of Citigroup in 2002, and joined its Board of Directors in 2003; he became Citigroup's Chief Operating Officer in October 2003. He is a Director of MasterCard Incorporated/MasterCard International Incorporated and Habitat for Humanity International. He is a trustee of the American Scandinavian Foundation and Adelphi University.

Tim Collins *Member*

Timothy C. Collins is the Chairman and Chief Executive Officer of Ripplewood Holdings, L.L.C., which he founded in 1995. From 1991 to 1995, Mr. Collins managed the New York office of Onex Corporation, a Toronto-based investment company. Previously, Mr. Collins was a Vice President at Lazard Freres & Company. Mr. Collins received an M.B.A. degree from Yale University's School of Organization and Management and a B.A. degree in Philosophy from DePauw University.

Lucio Noto *Member*

Lucio Noto is the Managing Partner of Midstream Partners, L.L.C., an energy investment company. Mr. Noto assumed his current position in March 2001. He retired as Vice Chairman of Exxon Mobil Corporation in January 2001, a position he had held since the merger of the Exxon and Mobil companies in November 1999. Mr. Noto has been a director of Altria Group since 1998. Before the merger, Mr. Noto was Chairman and Chief Executive Officer of Mobil Corporation. Mr. Noto had been employed by Mobil continuously since 1962. Mr. Noto is a director of International Business Machines Corporation and United Auto Group Inc. He also serves on the International Advisory Councils of Mitsubishi Corp. (Tokyo) and Temasek (Singapore).

The Board of Directors' Committees

Following the expansion of the Board of Directors during the first quarter of 2006, the Board will oversee the Bank through the Board Committees and the reports generated to evaluate the Bank's periodic performance regarding all aspects of operations. As such, the Board will meet around six times per year, physically or through video or tele-conferencing, in Egypt, with one meeting in New York City.

In addition to the Board's Audit Committee, CIB has recently established Governance & Compensation and Risk Committees. The structure of each committee ensures the highest standards of corporate governance, e.g., the Governance & Compensation Committee is only composed of independent directors

and meets exclusively without the attendance of the Bank's executive officers, unless the need arises to invite one or more of them.

Audit Committee

CIB was one of the first banks in Egypt to set up an audit committee of the Board in compliance with the basic principles of corporate governance. In September 1998, the Bank's Board decided to form the committee in order to ascertain the soundness of the Bank's internal audit system and compliance with the rules specified by regulatory authorities.

The Committee's mandate was extended and articulated in greater detail in the years that followed, especially in light of the Central Bank of Egypt's issuance in June 2002 of a number of rules to be observed and guidelines to be followed. Accordingly, the role of the committee was redefined in September of the same year to emphasize its independent nature. Its scope was also modified to be more specific, especially in relation to risk management, Basel II compliance, money laundering, as well as internal and external audit practices.

Three independent board members sit on the audit committee. They meet exclusively and regularly with the Bank's external auditors. Bank executives are regularly invited to attend certain meetings when relevant issues are discussed.

The Governance and Compensation Committee

The Committee is to be responsible for the development and review of a set of Corporate Governance Guidelines, which are then recommended to the Board.

The Committee is to review the remuneration of the Board of Directors (both executive and non-executive members). This will also incorporate any stock option proposals to the Bank's Executive and Senior Management Staff. The committee is also to act as a nomination committee when a board seat is vacated.

The Risk Committee

On the macro level, this committee will set the Bank's "Credit Risk Strategy" and the portfolio mix (concentration and limits) for corporate, retail, banks, countries, etc. to be approved by the Board. Exposures according to risk rating, amount & tenor are approved by other committees led by the High Policies Committee.

Our Mission and Purpose



Teamwork

"To grow and help others grow"

"To grow our status as the best financial services partner for our clients anywhere in the world, while creating outstanding value for both our shareholders and people"

In achieving our mission & purpose, we make decisions that are consistently guided by the following set of core values:

Integrity:

- Exemplify the highest standards of personal and professional ethics in all aspects of our business.
- Be honest and open at all times.
- Stand up for one's convictions as well as accepting responsibility for one's own mistakes.
- Comply fully with the letter and spirit of the laws, rules and practices that govern CIB work in Egypt and abroad.
- Say what we do and do what we say.

Client Focus:

- Our clients are at the center of our activities and are the reason behind all that we do.
- Our clients are the force behind our excellence and we are committed to individually help them achieve their goals and be the best at what they do.

Innovation:

- Pioneer is not a word to us; it is an action and a track record since our inception as the first joint venture bank in Egypt.
- We are leading the Egyptian financial services industry to the next level of performance in serving the millions of Egyptian clients who are underserved or who are not banked at all.

Hard Work:

- Discipline and perseverance govern our actions to achieve outstanding returns for our stakeholders.
- Seeking service excellence drives our commitment to better serve our clients.
- We endeavor to satisfy our clients' current demands and to anticipate and plan for their future needs.

Teamwork:

- We collaborate, listen and share information candidly within CIB and with our partners, clients and shareholders.
- Each one of us consistently presents CIB's total corporate image.
- There is only one CIB in the eyes of our clients.
- We value and cherish one another's different cultural backgrounds.

Respect to the Individual:

- We respect the individual whether an employee, a client, a shareholder, or a member of the communities in which we live and operate.
- We treat each other with dignity and respect and take time to answer questions and respond to concerns.
- Each individual must feel free to make suggestions and offer constructive criticism.
- CIB is a meritocracy, where all employees have equal opportunity for development and advancement based only on their merits.

2007 Review of Operations



Hard work

Corporate Banking Group

The year 2007 witnessed remarkable achievements in the corporate banking business, whereby the loan portfolio surged reflecting an increase in average utilization throughout the year of 27% over last year. Year on year growth rate reached 20% surpassing the credit market growth rate that reached 11% during 2007. The Bank played a leading role in promoting business in various diversified sectors, namely oil, gas, petrochemicals, fertilizers, telecommunication, agri-business, contracting, real estate development and other sectors.

The expertise and specialized premium services provided by CIB as an Arranger, Underwriter, Agent and Security Agent have been well recognized by major Project Financiers and has established CIB's position as a leading bank in mobilizing large ticket transactions in the syndication market.

CIB's total mandated syndicated arrangements in 2007 witnessed significant growth over the year 2006, reaching EGP 37.5 billion compared to EGP 19.6 billion in 2006. In fact, the syndication team initiated and contributed in major landmark deals, whereby it played several vital roles such as, but not limited to, Mandated Lead Arranger, Egyptian Facility Agent, Underwriter, Onshore Account Bank, Book-Runner, Security Agent, and Financial Advisor. The key sectors that the syndicated department covered during 2007 were mainly petrochemicals, telecommunication, oil and gas, construction and food.

CIB continued to enhance the introduction of new financing schemes in the market. We were successfully mandated to act as a Financial Advisor and Lead Arranger for four securitization transactions in 2007 totalling EGP 1.2 billion. Recognizing our lead role in securitization, CIB was awarded "Deal of the Year" for 2007 by The Banker for its securitization deal. CIB has hence established itself as the leading bank in Egypt in terms of number of transactions arranged, having successfully closed five securitization deals in Egypt to date.

The Structured Trade Finance Group continued to secure sizeable trading transactions, reaching a notable portfolio of EGP 9 billion in 2007. Total Trade Finance Transactions in Corporate Banking reached EGP 27.5 billion. CIB was, thus, awarded the "Best Trade Finance Bank in Egypt" by Global Finance for the second consecutive year.

In the Shipping business, CIB maintained its position as the market leader in the Suez Canal Tolls, with a market share of approximately 86% and aggregate transfers of nearly USD 3.4 billion. The division also expanded its financing activities to include local and foreign cargo, tanker & RORO vessels, in addition to extending financing to the new and existing ports in Egypt. The division's new finance commitments in these fields recorded EGP 748 million.

Based on such strong performance in 2007 and CIB's excellent position as the prime Egyptian private sector bank operating with international standards, we are confident that CIB's corporate activities will maintain their growth momentum.

Retail Banking

CIB foresees a breakthrough in the retail banking market in the near future. This expected surge in the bankable population will likely be the result of sustained growth in Egypt's GDP and the associated job creation. In order to allow CIB to fully leverage this opportunity and to further enhance its market share, our Retail Banking strategy was revamped in 2007.

In order to enhance our delivery and distribution channels, the following actions were taken:

- In 2007, we approved the opening of 45 branches in order to expand our customer acquisition channels. 19 of those branches were opened in 2007, while the remaining 24 will be opened during 2008. Our branch network has expanded to reach a total of 131 outlets.
- CIB commenced the hiring of a dedicated Sales Team within our existing/new branches to complement the sales efforts exerted by the existing Customer Service Team.
- The operational process in the branch network was re-engineered to allow branches to focus more on sales and to ensure superior quality service for our clients.

In terms of product offering, CIB revisited its product range in order to ensure our ability to provide each customer segment with the products that suit its needs at competitive terms & conditions.

The Retail Risk Management Division was founded in 2007 (in line with the international best practices) in order to mitigate the inherent credit risk associated with the strong growth in our retail asset portfolio.

Alternative Delivery Channels

In 2007, the ATM network was expanded to reach a total of 435 ATMs providing customers with 24/7 banking services. Furthermore, cash withdrawals from our ATMs during 2007 reached an impressive EGP 8.2 billion.

Our Call Center, which responds to customer inquiries, has extended its hours of operation to 24/7. Furthermore, during the 1st quarter of 2008, the activities of the call center were extended to include financial transaction execution, such as internal transfers, credit cards settlements, and the issuance of debit & credit cards.

The introduction of online E-Banking registration in June 2007 has led to an increase in the number of our E-Banking subscribers of 33%, with existing subscribers accounting for approximately 4 million hits during the year.

Credit Cards:

In 2007, CIB made its entrance into the Acquiring Business with the deployment of POS machines (which clear card payments) at merchant sites. In tapping into this market, CIB is committed to employing state of the art technology and superior customer service. The initial results are extremely promising and signal that CIB is poised to capture market leadership in this sector in 2008.

CIB also invested heavily in the enhancement of the infrastructure of its Credit Issuing Business. Significant focus has been channelled into refinement and automation of the credit assessment process, as well as added staffing and automation of the central collections function.

Finally, CIB paid considerable attention to managing the existing portfolio of cards in order to simultaneously increase customer satisfaction and the Bank's profitability.

Residential Property Finance

The Residential Property Finance Group was established during 2007 as a separate business line to seize leadership in the Egyptian Housing Finance market. The group mission is to provide top quality, well packaged and tailor-made residential loan services to meet varying financial needs.

Our solid business infrastructure and our unique product offering allowed the Residential Property Finance Group to successfully carve its niche within the Egyptian Housing finance market.

The business framework is developed to achieve maximum efficiency, volume and profitability. CIB incorporated international expertise, highly experienced and well-trained professionals, as well as a customized and state of the art IT system to design loan products and financing methods that harmonize with local market conditions.

SME

Only one year post inception, the SME Banking Group successfully penetrated the untapped SME market in 2007.

CIB's penetration of this segment of the local market occurred in several areas, resulting in a diversified loan portfolio with particular focus on the small-medium manufacturing sector, exports, and suppliers under national programs. This led to the creation of a solid base composed of direct loans which are well funded by a strong deposit base and a growing contingent business.

The SME group's objective is to become Egypt's leading SME banking provider and contribute positively to the growth and development of Egypt's economy. Therefore, based on our best-practice infrastructure, our pioneer penetration of the SME market, and our highly skillful and trained team, we are confident that the business will continue to grow its profitability in 2008.

Direct Investment Division

During 2007, the Direct Investment Team carefully maintained its primary task of properly allocating investment funds into specific industries where CIB's return on investment would be optimally maximized. The mission of the division is as follows:

- Add value to CIB's shareholders.
- Provide a unique opportunity for equity or quasi-equity financing to promising businesses in Egypt and the region.
- Provide financial advice to our partners, thereby helping them to realize their growing ambitions.

Our mission is accomplished through a hybrid of methods comprising, but not limited to, dividend distribution, capital gains, and entering into new investments whereby the synergies for CIB is the focus.

In 2008, the Direct Investment Team will focus on expanding in profitable industries such as fertilizers, cement, oil and gas, and consumer finance, among others. Investment in locally listed equities is pursued based on a combination of fundamental analysis and market research. Market research is conducted through alliance with various regional entities in order to gain thorough knowledge of such markets.

Financial Institutions and Correspondent Banking

The FI & Correspondent Banking Group, through its six divisions as well as CIB's Representative Office in Dubai, has expanded its diversified activities to include trade finance, cross-border allocation, fundraising, marketing products, clearing services, custody services and donor programs.

- Correspondent Banking is the first point of contact with CIB for financial institutions. It covers mainly: securing outgoing business for CIB, attracting bonding business (LGs), marketing and cross-selling.
- The International Presence was established to penetrate new markets overseas and to market and sell CIB's and its affiliates' products to Non Resident Egyptians.
- Non-Bank Financial Institutions provides services and products to insurance, leasing, investments and brokerage companies. The loan growth within this division has increased more than ten fold over the last two years.
- Cross-Border Allocation covers syndications of financial institutions and discounts of trade papers related to financial institutions (banks and non-banks).
- CIB has maintained its position as the number one custodian in the local market since 2000. In fact, assets under custody reached a total of EGP 252.21 billion in 2007, accounting for approximately 40% of market capitalization with a customer base of over 46,000.
- Finance Programs and International Funds is regarded as a unique division within the entire banking sector. The division mainly handles funds and finance programs provided by international donors (e.g., USAID, European Union, World Bank, UN, KFW, etc.), with an overall objective of creating sustainable development funds. In addition, the division offers services including, but not limited to, fund administration, optimum investment alternatives, disbursement / repayment mechanisms, technical assessment and monitoring, fund promotional activities and full reporting services.
- Our Dubai based Representative Office has acted as CIB's gateway to the GCC. In 2007 the branch introduced several leading GCC based corporate clients to the Bank, providing syndicated facilities, investment opportunities, Islamic Sukuk and trade related paper to financial institutions and corporates operating in the MENA region. These achievements were the result of the establishment of strong relationships with several reputable financial institutions operating out of Dubai. On the retail front, the branch focuses on a niche market, providing private banking services to the Egyptian community working in the UAE. Furthermore, the branch works closely with CI-Capital, our investment banking arm.

Treasury Group

The Treasury Group's strategic priority is the management of Assets and Liabilities of the Bank in terms of interest rate, liquidity and concentration risk. This is achieved through proactive balance sheet management with an emphasis on hedging risk. In addition, the Treasury Group is responsible for managing the proprietary investment portfolio of the Bank.

Treasury diversifies its proprietary investment in traditional and alternative asset classes. CIB's mutual funds offer not only a cash management solution to our clients, but also a maximization of their returns, at a time during which proper liquidity management is viewed as a difficult task. Consequently, CIB was rewarded with Global Finance Magazine's "Best Money Market Fund Provider in Africa" award.

During 2007, CIB strengthened its position as a mutual fund provider by widening its client base, becoming a market leader in the offering of mutual fund solutions to Egyptian clientele and contributing to the Bank's fee income.

In addition, as demand for Islamic products has increased globally, CIB has introduced an Islamic Fund jointly with Faisal Islamic Bank, becoming the first bank in Egypt to offer a joint fund. The fund has proven to be very successful, and other banks have followed the same route.

Starting in 2007, CIB adopted new market risk modelling techniques and interest rate management methodologies that reflect the latest developments in the market place and abide by Basel Committee recommendations.

It is worth highlighting that Treasury implements a balanced and flexible pricing strategy to support CIB's expansion plan, simultaneously maximizing our profits and maintaining our competitive edge.

Dealing Room

For the seventh consecutive year, CIB won the Global Finance Award for the Best Foreign Exchange Bank in Egypt. The award acknowledged the market's appreciation of CIB's pioneer role in providing tight and competitive market making quotes for banks, corporations and retail clients. Furthermore, CIB expanded its volumes by nearly 110% compared to last year to reach a total of EGP 200 billion.

The impressive volume and profits resulted from CIB's ability to respond to the Foreign Exchange needs of both corporations and large investors. Furthermore, our ability to structure tailor-made hedging and yield enhancement products has significantly increased our customer base and subsequently our market share.

Despite the increase of the primary dealers to fifteen members at the beginning of 2007, the CIB Primary Dealers desk has managed to increase its secondary market bond trading volume by more than 300% and its treasury bills volume by more than 250%. Consequently, CIB successfully acquired a 20% market share in the secondary market bond trading and a market share of 5.3% in treasury bills.

Moreover, CIB was a co-manager for Egypt's first dollar dominated bond issue (which matures in 2012). CIB also offers to its clients a variety of tailored products, structure products, repos, reverse repos and tailored maturities.

Finally, CIB has always maintained its focus on developing a well-trained Sales force to target new clients (corporations and individuals) and satisfy existing ones.

Strategic Relations

"Client Focus" being at the core of its activities, CIB takes pride in being the sole bank with a dedicated Strategic Relations Group (SRG), whose main priority is to nurture its relationship with its major institutional depositors. With a portfolio of over 170 strategic clients, whose deposits contribute substantially to CIB's stable funding, the SRG mimics the function of "Private Banking" for its corporate accounts. Offering preferential tailor-made services and innovative products, packaged to meet the unique business needs of each individual client, is the very essence of the SRG.

The success of the SRG as a function is evidenced by the long-standing client relationships that, despite fierce competition, date as far back as the 1980s, while maintaining the delicate balance between client satisfaction and account profitability.

Risk Management

CIB is currently in the process of procuring a Risk Management Application, not only for the purpose of Data Management pertaining to Basel II compliance purposes, but also for Portfolio Management and as well as the upgrade of the Management Information System and Risk Analysis. The Portfolio Management process focuses on the analysis of risks related to the Bank's banking book from a portfolio perspective.

The Department is also responsible for identifying, assessing, monitoring, reporting and controlling / mitigating Operation Risks, through maintaining a robust Risk Management System and effective policies and procedures that reflect international best practices.

Risk Exposure Management has made several enhancements to the Approval Process, whereby the involvement of the Credit Administration / AFU as a risk division is currently included in all levels of the Retail Approval Process to ensure compliance with CIB's Policies and Procedures. These enhancements were a prerequisite for CIB's expanding strategy in retail.

Credit Risk:

The bank has a Statistical Rating Model developed to estimate the PD (Probability of Default) risk parameter for every Corporate Obligor within the Corporate Asset Class, in line with the Foundation Internal Rating Based Approach. The model has currently been used to rate the entire Corporate Banking Portfolio for the last two years. Validation for said model will subsequently take place. On the other hand, the data collection process has started, for the other two risk parameters namely; LGD (Loss Given Default) and EAD (Exposure at Default) in order to ultimately adapt the Advanced IRB Approach.

The bank has an expert scoring model for the SME (Small and Medium Enterprises) portfolio, which has been in current use to score the relevant portfolio for the last two years. The model will be subsequently validated and calibrated into a PD model once the portfolio reaches a certain size.

Pertaining to retail banking, the Bank has recently developed two expert Scorecards for Credit Cards and Consumer Loans. The said scorecards will be used to collect data on the Bank's retail portfolio for the coming two years and the collected data will then be used to develop models for their risk parameters, namely: PD, LGD and EAD.

Market Risk:

CIB has developed internally:

- Market Risk Modules that measure the CoVariance and Historical VaR estimates of its FOREX and directly managed Equities Positions,
- An enhanced module that measures the Interest Rate Exposure in the Banking Book in terms of Expected Loss.
- Quarterly Stress Test reports on the Market Risk Exposure.

Risk Asset Management:

The primary goal of CIB's Risk Asset Management is to monitor and handle problem loans at an early stage before they develop into Non-Performing Loans and convert the maximum possible amounts to higher credit quality brackets whenever possible. The Department also determines the optimal recovery prospects that can be achieved from the accounts and constantly strives to maximize the recovery rates. A detailed Loan Portfolio Quality Analysis Report summarizing movement of accounts and adequacy of provisioning is prepared monthly by the Risk Asset Management Department.

The Bank's prudent Risk Rating and Provisioning Policy has enabled CIB to build up substantial provisions against possible loan losses. Total Loan Loss provisions reached EGP 1.26 billion in December 2007, compared to EGP 1.15 billion in 2006, despite the write off of EGP 178 million in 2007, compared to EGP 228 million in 2006.

Due to CIB's prudent Credit and Provisioning Policies and its ability to restructure a significant amount of Non-Performing Loans, the Bank has improved its General Ratio for both Direct and Contingent Exposure to 2.74%. The Department continues to make valuable contributions to the Bank's bottom line with aggregate Recoveries of EGP 251.2 million as of December 2007, up from EGP 206.7 million in 2006.

The tabulation hereunder illustrates some key figures and ratios:

	2005	2006	2007
Gross Loans (000's of EGP)	14,988,037	18,503,584	21,465,494
NPL (%of loans)	5.6%	3.8%	3.0%
Charge Offs to Date (000's of EGP)	1,041,294	1,269,741	1,447,577
Recoveries to Date (000's of EGP)	106,680	206,742	251,214
General Ratio	2.49%	2.49%	2.74%
Recoveries to Date / Charge-offs to Date	10.2%	16.3%	17.4%

Human Resources

The main purpose of the HR Department is to provide the best professional services to attract, develop, and retain a motivated and diverse workforce within a supportive work environment, in order to ensure the successful delivery of CIB's Business Plans & Growth Aspirations.

During 2007, CIB's Recruitment Team remained focused on fulfilling the Bank's manpower requirements, hiring the best caliber candidates – young and experienced – to ensure that business plans are met. Along this line, the Recruitment and Selection Team has successfully automated significant portions of the recruitment process, allowing us to fill 729 vacancies within the Bank. Moreover, the revision in the structure of compensation packages has resulted in a large decrease in the Bank's overall turnover rate; as well as enabling the Recruitment Team to excel in recruiting the best caliber employees.

The Training and Development Team strongly believes in investing in CIB's human capital. Consequently, the team utilizes the most reputable and prestigious training institutions, both locally and internationally, in order to provide the best and highest quality training to CIB employees at all levels. During 2007, 320 training events (135 overseas, 122 local and 63 in-house courses) were held, which benefited a large number of staff throughout the Bank with a total training hours of 75,000, which represents 62% of the Bank's employees. Courses have been carefully and professionally selected, based on the assessment of employees' needs, starting from introductory banking level up to the highest technical and specialized levels in all banking and management fields.

During 2007, and in coordination with the Egyptian Banking Institute, the Training and Development Division organized the "Bank Risk Game," which was attended by all the Bank Directors. The Risk Game provides a stimulating learning experience by giving its participants the opportunity to make decisions that are similar to those that might be made by the general manager of a commercial bank. Also, the Training and Development Division continued the Branch Head Certificated Program, covering 11 modules in Management, Banking Technicalities and other job related subjects. Moreover, 40 Branch Heads and their Deputies completed the Modules of the Branch Heads Certificate, making the total number of Certified Branch Heads and Deputies in the Bank 147.

On the Organization Development and Career Planning front during 2007, the focus was on reviewing all job descriptions bank-wide and improving the synergies between different levels. Also during 2007, the Team pursued the finalization of different Organization Charts, with special emphasis on emerging strategic business lines.

During 2007 the department, for the first time, compiled all Human Resources Policies that covered all HR activities, and made them available on CIB's Intranet for greater availability to all employees. This act was supported by the establishment of an HR Information Focal Point, which acted as the first stop for queries and clarifications regarding HR Policies and Procedures.

Finally the department in 2007 launched the Performance Management Process, which includes the Annual Performance Appraisal process, in addition to complementary processes that support employee evaluation and development. The process emphasized the importance of incorporating CIB Core Values in all of our dealings, the necessity of identifying employees' competence gaps, and the implementation of plans to close them out and ensure employee skill development.

Personnel

The primary goal of the Personnel Department is to provide a full range of personnel services to all CIB employees. This aim is achieved through the implementation of the latest and most up-to-date trends in

the field, as well as by recommending new and enhancing existing benefits, with the objective of maintaining and retaining CIB's most vital asset – Our Staff –.

Among the major achievements, during 2007, were improvements in the structure of compensation packages, as well as staff loans and job allowances for the different departments, which improved CIB's retention rate as well as its ability to attract top talent. Another achievement was the activation of Oracle system applications through which all pay slips are issued.

Consistent with our goal, the Personnel Department is in the process of launching an Employee Benefits and Services interactive web page, aiming to make self-service available to all CIB staff. This project is expected to be finalized during the 2nd quarter of 2008.

The Personnel Department also continuously conducts salary surveys to benchmark various jobs and positions within CIB to those in the market.

Information and Communication Technology

The IT Department has expanded on its state of the art infrastructure and facilities, continuing to provide services internally and for our customers.

The main IT achievements during 2007 were:

- Core Banking System: CIB is currently migrating to T-24, the No. 1 Ranked Universal Banking System (both Retail and Corporate) featuring:
 - o Enhanced business cycles and shortened time requirements for the fulfilment of important tasks.
 - o 24 x 7 non-stop operations with multiple time zones, eliminating the previously required End of Day (EOD) constraints.
 - o Integrated environment for business applications, eliminating most of the interfacing/integration restrictions
- The Interactive Voice Response (IVR) System was upgraded to feature the latest technology.
- Upgrading CIB's core network, and applying the "wired speed" concept.
 - o 435 Automatic Teller Machines (ATM) machines installed, forming the largest widely available ATM net work in Egypt.
- E-Security, which provides the vehicle for CIB's initiative of being the first bank in Egypt to abide by the newly introduced Electronic Signature Law, utilizing PKI, which is an online infrastructure using encryption, digital signatures and digital certificates to secure applications, communications and transactions:
 - o First Installation in the banking sector in Egypt.
 - o Governorate by ITIDA.
 - o Implemented on Internet Banking and Corporate Internet.
- Personalization Center: Adding VISA to the previously existing MasterCard, and extending our leading setup capabilities for mass production of SIM chip cards (Smart Cards).
- Introducing Anti Money Laundering (AML) infrastructure, the first in Egypt.
- Fraud Monitoring: Added functionality for debit cards beyond existing credit cards, utilizing an active online system.
- Acquiring Business: Introduction of CIB as a new strong player in the credit card acquisition market (for both VISA & MasterCard).
- CIB Printing Center: Featuring the most advanced full colour printing technology.

Compliance Department

The Compliance Department was set up in March 2007 to perform as an independent function reporting to the Chairman of the Board to protect the Bank against any possible Regulatory, Reputation, Anti Money Laundering and Fraud Risks. It originally operated under the Audit Department, focusing on Anti Money Laundering. The new structure of the Compliance Department covers three divisions:

Compliance with Regulations, Policies and Procedures responsible for ensuring the availability of updated Procedures in compliance with the prevailing Regulatory, Local Banking Laws, International Standards and Best Practices and their proper implementation.

During 2007, the division assessed potential new business and products in terms of the level of compliance risk, especially for non professional customers. It also focused on the escalation and identification of corrective measures for customer complaints to ensure non-recurrence and that customer protection is maintained. It reviewed a number of new and updated different policies, procedures and workflows and followed proper implementation to ensure tight controls are in place.

Anti Money Laundering responsible for the Bank's Financial Security by ensuring that we know our customers ("KYC") through adequate and sufficient customer information, in addition to monitoring transactions with the branch network and other business areas to be satisfied that our customers only engage in legitimate business.

In 2007 the division updated the individual account opening documentation and the "KYC" form for new clients to be simpler and concise yet just as informative and clear. Compliance started a project to update the customer information for the entire Bank's client base that will be finalized by the end of 2008. This data will also be a strong marketing and cross-selling tool to enable lines of businesses to cater to different customer segments' needs. The division also tailored a more user-friendly in-house means of transaction monitoring. A more sophisticated automated AML solution and filtration system will soon be in place during 2008 to comply with international standards.

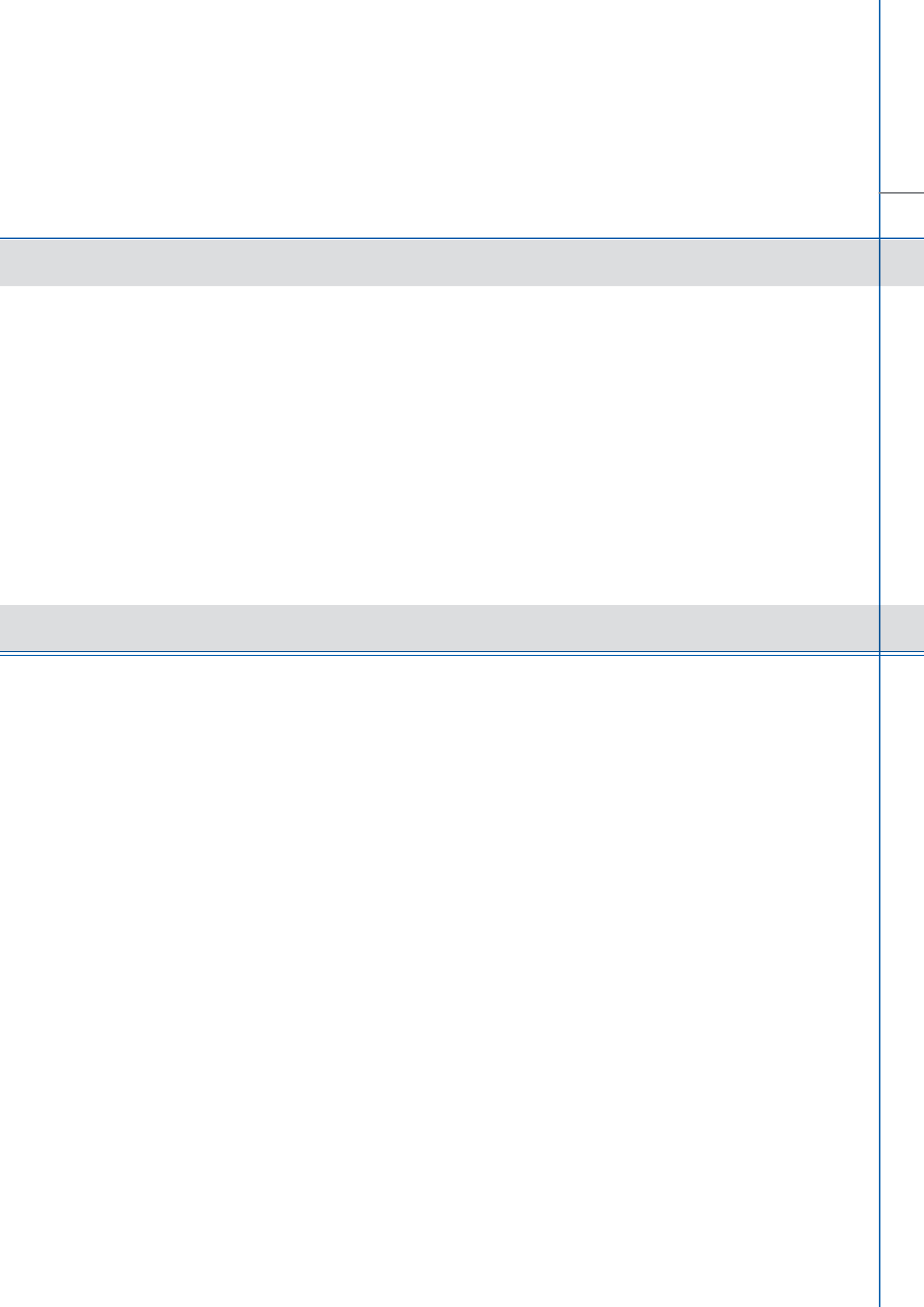
Corporate Governance and Code of Conduct responsible for ensuring that the Bank complies with the Corporate Governance Code that CIB Board and Management have undertaken to adopt. In addition, it ensures the Bank's staff awareness and compliance with corporate ethics governed by the Code of Conduct. It coordinates with the Board's Governance Committee to ensure that CIB complies with all aspects of the Governance Code.

Compliance updated the Bank's Code of Conduct governed by CIB's standards of ethics and CIB's set of core values in October 2007. In an effort to encourage staff to speak up and report misconduct, violations or breaches, the concept of "Whistle Blowing" has been introduced among employees, ensuring confidentiality and not allowing retaliation for staff reporting of such incidents.

Compliance Department in turn, acts as a focal point for internal reporting of suspicious activities such as policy breaches, law violations, staff misconduct, and external fraud, and works closely with Senior Management. It presents a quarterly report to the Audit Committee of the Board on such findings, with recommendations and corrective measures. It cooperates with CBE Anti Money Laundering Unit on any cases of suspicion of Money Laundering.

The Compliance Department also ensures the availability of employee training programs to raise staff awareness of such issues, thus helping them report identified cases through the proper channels.

Finally Compliance, in coordination with Human Resources and Personnel, has conducted a risk assessment process for all positions in the Bank. They were segmented to high, medium and low. According to this assessment, staff is to rotate or assume other positions after a specific period of time, depending on the level of risk of each area and position. In parallel, the team has reviewed the functions to ensure that there is no conflict of interest.



Strategic Subsidiaries
and Affiliates



Client focus



CI Capital Holding

Capitalizing on its strength as Egypt's leading private bank, CIB orchestrated its entry into the market of financial flows, investment and securities trading with the incorporation of CI Capital Holding in the year 2004 to become CIB's full fledged investment banking arm.

The entity offers a wide plethora of investment services such as retail and institutional brokerage, investment banking, asset management, private equity and research to local, regional and international clients.



Commercial International Brokerage Company

Through its brokerage arm, CI Capital offers a wide range of securities brokerage services for both retail and institutional investors, with a presence in ten of CIB's branches.

In its pursuit of regional expansion, CI Capital Holding acquired a 50% stake in United Brokerage Company (UBC) to accentuate the group's brokerage operations in United Arab Emirates. UBC is a joint venture company between CI Capital Holding and Oman and Emirates Investment Holding (which is jointly owned by both the Government of Abu Dhabi and the Government of Oman), creating a cross platform execution in the Emirates, Egyptian and Omani markets.

Investment Banking

CI Capital Investment Banking activities includes equity capital market products (e.g., private placements, IPO, ADR/GDR listing, and valuation advisory), Merger & Acquisition activities (e.g., buy-side advisory, sell-side advisory, asset disposal programs & divestitures, and MBOs & LBOs), and debt capital markets products (e.g., bond issuance, acquisition finance, and debt restructuring advisory).

The investment banking arm successfully concluded privatizations in the Tobacco, Oil & Gas, Telecom and Retail industries.



Commercial International Asset Management

The asset management division was started in late 2004 to benefit from the fast growing financial wealth management market in Egypt and the MENA region. The asset management arm became one of the main investment managers in Egypt in 2007, with arguably one of the strongest reputations, and more than EGP 8 billion assets under management.

The division serves a variety of clients through mutual funds as well as segregated portfolios. In its portfolio management operation, the division offers full discretionary services to high net-worth individuals and institutional investors. Clients are provided with comprehensive personalized services, which are tailored to their investment and reporting requirements. The list of existing and targeted clients includes Egyptian banks, insurance companies and financial institutions as well as pension funds.

Research

Originally, the research department operated as part of the brokerage arm up until 2005, when it was spun off into a separate entity, serving CIB-wide affiliates with equity, industry, and economic research.

The equity research team includes certified analysts covering the various sectors and companies traded in the Egyptian stock market. In fact, the industry research team supports investors in their investment-decision process in the Egyptian market through in-depth studies that cover several sectors. Moreover, the economic research team tracks, analyzes and projects macroeconomic indicators in the Egyptian market, which feed into equity and industry research analysis.



Commercial International Life Insurance Company (CIL)

Commercial International Life Insurance Company was formed in 1999 as an Egyptian joint stock company offering international value-for-money life insurance products. CIB owns 40% of the company's stock, the UK's leading insurer Legal & General owns 40% and the International Finance Corporation and Mansour & Maghraby for Investment and Development own 10% each. CIL was the first bancassurer in Egypt and its products are available through the branch network of CIB and other banks.

After 8 years of operations, CIL now occupies a dominant position in the life insurance sector in Egypt, with around 40% market share measured by new business and total premiums. CIL has received regional awards for its contribution to the development of the insurance industry.

CIL provides long term savings, protection and investment products for both individual and corporate customers, and it has recently added new investment funds which give customers still more investment choices. In 2007, CIL's total Funds under Management exceeded EGP 1.4 billion, which reflects the continued significant growth of the business and CIL's capacity to bring new products to market.

CIL's impressive growth and market leading position is built on a reputation for providing innovative value-for-money products and superior customer service.



Corporate Leasing Company (Egypt) S.A.E

Corplease has successfully operated since 2004 and has become one of the leading leasing and asset finance companies in Egypt. The company provides a wide range of leasing products and services including vendor finance, I.T. leasing, equipment finance, transportation finance as well as large ticket structured leasing transactions. Corplease has built up a strong client base of mid and large cap corporations in various segments of the economy.

CIB owns 40% of Corplease's shares and is joined by the CIB Social Insurance Fund with 12%, Germany's DEG, part of KfW Bank, with 22% and France's U.B.A.F., an affiliate of the Credit Agricole Group, with 16%.

Corplease achieved strong growth in 2007, whereby the company's lease portfolio grew by a rate of 125% from 2006. The company continues to benefit from highly favorable asset quality, a controlled cost structure and conservative liquidity and capitalization levels.

Corplease is actively investing in its human resources, expanding its product offering and diversifying its funding base.



Haykala Investment Managers

Established in August 2005 as a private equity firm, Haykala is engaged in buyout and turnaround activities.

CIB is the largest shareholder with a 40% stake of the company's capital, while the remaining 60% is owned by high net-worth individuals, institutional investors and the Haykala management team.

During 2007, Haykala continued its investment, reaching 85% utilization of its first fund under the name of "Middle East Turnaround Investments Limited" (Haykala Turnaround Fund). Since inception of the fund, Middle East Turnaround Investments Limited is considered the only turnaround fund in Egypt, of which the portfolio comprises 5 investments in different industries/business lines, with 46% in Dairy and Juice, 17% in confectionery, 32% in steel and 5% in Oil Services.

In all its acquisitions, Haykala Fund takes a stake of between 50 and 100%.

COTECNA

Cotecna Trade Support (CTS)

CTS was established in 2005 to provide Collateral Management and Stock Monitoring services to the business community in Egypt.

40% of CTS's shares are owned by CIB, with the remaining 60% owned by the Swiss Company Cotecna Inspection Services S.A., a market leader in trade finance related services.

The services provided by CTS allow the use of commodities and other goods as collateral security in the context of a loan. Additionally, the imported goods can be inspected and monitored at origin until the arrival to final destination, to ensure their compliance and conformity with the agreed specifications.

CTS studies and considers carefully each case, in order to apply the services in a manner that meets the needs and requirements of both the client and the lender.

At the end of 2007, the company had more than USD 15 million value of goods under management, including soft commodities, livestock, vehicles, grain and others. The company has a considerable pipeline and can confidently expect further growth in 2008.



Egypt Factors

Licensed by GAFI in 2007, Egypt Factors has become the first factoring company in Egypt. The company's authorized capital of USD 15 million and issued capital of USD 5 million is shared among CIB Group and the Maltese based bank Fimbank, with 40% each, as well as the IFC, with a 20% holding.

With a clear focus on trade finance instruments, Egypt Factors is committed to supporting and promoting Egyptian cross-border trade, i.e. exports and imports as well as domestic trade.

The elements of its service - packages including Receivables Administration, Bad Debt Protection, and Funding, are designed to cater to the needs of suppliers both for domestic as well as international deliveries. Also, buyers from domestic or foreign sources are delighted to realize that their purchasing power increases without the utilization of their banking facilities.

Supported by state of the art systems, Egypt Factors SAE will provide a superb service combined with access to nearly 70 countries spanning the globe.



International Appraisal & Collection Company. (IACC)

IACC was established in 2007 as an Egyptian joint stock company. CIB is the largest shareholder with 40% stake of the company's capital, while the National Bank of Egypt owns 20%, CIB Social Insurance funds 16% and other investors own 24%.

IACC specializes in the evaluation of real estate and movable assets, including the machines, equipments, ships, touristic villages, vehicles & products. The company also conducts inquiries & field investigations on the individuals and companies, in addition to collecting all debts from debtors. Moreover, the company performs the ownership research procedures for real estate and movable assets, as well as taking the necessary procedures to legalize in kind rights (registration & mortgaging of lands & buildings) and incorporation of companies. Finally, IACC sells real estate and movable assets through public auctions or closed proposals.

During 2007, IACC managed to increase collection of criticized debts from 15% to 75%. The company serves a variety of clients and companies, especially prime local and foreign banks.



Falcon for international Security & Services Company

International Security and Services Company (Falcon) was established during 2006 as a subsidiary engaged in the provision of various security services for the Bank, its affiliated companies, as well as third party entities. Directly and indirectly through its affiliates, CIB holds a majority stake in the company's capital. The company's services consist of securing & protecting facilities and VIPs, providing High-Tech industrial and non-industrial security systems, and offering security consultation as well as physical funds transfer.

The company's vision is to become the leading local and regional provider of security and security-related services to all outlets, companies and individuals. According to well-defined geographical segmentation, Falcon penetrated the security and cash transfer market, which was evidenced by the increase in the number of signed contracts by 57% and 269% respectively in 2007 compared to 2006, to become the market leader, with an outstanding 40% market share.

During 2007, Falcon received the ISO 9001, the first time in Egypt a security related Services Company has received this certificate. Furthermore, the company was dubbed by many reputable customers as the #1 company among all security agencies operating in Egypt.

Looking forward, and capitalizing on the company's 1400 employees, its reputation, and experience gained in Egypt, the company aims to offer its services abroad, given the high level of demand for security services in the Gulf region.

Corporate Social Responsibility



Respect to the individual

The promotion of Corporate Social Responsibility (CSR) is an important component of our business in its overarching of our mission statement's objective 'to grow and help others grow'. In addition, CSR supports other policy priorities, which include contributing to the sustainable development of Egypt's economic growth. We believe that a real commitment to CSR unites an organization, strengthens its reputation, and builds meaningful relationships between the corporate sector and the community in which our institution operates. CIB is proudly engaged in several activities of social responsibility, including fundraising campaigns, sponsorships, social involvement and offering funds with competitive pricing to create new job opportunities and increase living standards.

CIB regards corporate responsibility as the long-lasting dedication by our business to perform ethically and participate in economic development, while providing better quality of life for the workforce, their families, the local community and the society at large.

Fund Raising Management Campaigns

CIB is expanding its charitable fundraising services with the goal of becoming a major contributor to positive societal change, contributing to a better future for the country and its people. The reach of our fundraising services has once again been expanded to attract both local and regional donations, using different channels such as the telephone, internet, automatic teller machines, Bank's branch network and swift transfers. CIB also enjoys several alliances with financial institutions in Qatar, Saudi Arabia and the United Arab Emirates.

In fact, CIB has helped in raising funds for the following entities during 2007:

Health and Social Engagements: Providing direct financial contributions to Ein Shams University Hospital (public hospital), Mahmoud Hospital (non-profit hospital), Khayrazad Organization for Social Care (private sector organization that provides financial support for public hospitals within Cairo), Faculty of Medicine Menoufeya University – Lung Diseases Center (public university hospital), Faculty of Medicine Cairo University - Center for Social & Preventive Medicine (major medical hub that provides health treatment for the under the poverty line segment)

Education: Allocating a fund for the renovation of three public schools. The 3 schools have been chosen in disadvantaged areas in Upper Egypt. CIB will supervise the renovation process, utilizing our projects and purchasing departments, in addition to providing financial support.

Sponsorships and Social Involvement

CIB's financial sponsorships and donations are focused on projects that help communities achieve their goals.

Art Sponsorship: CIB regularly sponsors art galleries organized by the Ministry of Culture, with the aim of encouraging painters in different levels of their apprenticeship. CIB is also recognized as a significant collector of Egyptian art.

Our Employees and the Community: CIB encourages its employees to actively participate in community development. In fact, the Bank provides the staff with the necessary resources in terms of funding and training, in order to make a positive contribution within the community.

Funds Directed to Social Development

CIB has a specialized division which handles developmental funds and finance programs provided by governmental and international donors. These funds are known for their low interest rates and simple application procedures. The program aims to create new job opportunities and higher income amongst rural populations with special emphasis on women and small farmers. Moreover, CIB is engaged in environmentally friendly projects designed for the preservation of natural resources.

Financial Statement
A. CIB Stand-alone



Attention to details

KPMG Hazem Hassan
Public Accountants & Consultants

Allied for Accounting & Auditing E&Y
Public Accountants & Consultants

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Commercial International Bank (Egypt)

We have audited the accompanying unconsolidated Balance Sheet of Commercial International Bank (Egypt) S.A.E as of December 31, 2007 and the related unconsolidated statements of income, cash flow and statement of changes in Equity for the financial year then ended. These unconsolidated financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these unconsolidated financial statements based on our audit.

We conducted our audit in accordance with the Egyptian Standards on auditing and in the light of provisions of applicable Egyptian Laws and regulations. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall unconsolidated financial statements presentation. We have obtained the information and explanations which we deemed necessary for our audit. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the unconsolidated financial statements referred to above together with the notes attached thereto present fairly, in all material respects, the unconsolidated financial position of Commercial International Bank (Egypt) S.A.E. as of December 31, 2007, and the results of its operation and its cash flows for the Financial year then ended, 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 amendments and in compliance with applicable Egyptian laws and regulations.

The Bank Keeps proper accounting records which include all that is required by Law and the statutes of the Bank, and the accompanying unconsolidated financial statements are in agreement therewith.

According to the information and explanations given to us - during the financial year ended December 31, 2007 - no contravention of the Central Bank, banking and Monetary Institution Law No. 88 of 2003

The financial information contained in the Board of Directors' report prepared in conformity with Law No. 159 of 1981 and its executive regulation are in agreement with the Bank's accounting records within the limit that such information is recorded therein.

Ehab Fawzy AKI
Ehab Fawzy AKI

KPMG Hazem Hassan
Public Accountants & Consultants

KPMG Hazem Hassan
Public Accountants and Consultants

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Cairo, 21 February 2008

Nabil Akram Istanbuli
Nabil Akram Istanbuli

Allied for Accounting & Auditing E & Y
Public Accountants & Consultants



A. CIB Stand-alone

Balance Sheet Unconsolidated as of Dec. 31, 2007

	Note No.	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Assets			
Cash & Due From Central Bank	(4)	4,953,205,430	3,742,876,516
Due From Banks	(5)	13,782,062,043	5,432,677,413
Treasury Bills and other Notes Discountable at the CBE	(6)	2,948,674,319	4,058,745,805
Trading Financial Investments	(7)	588,473,270	887,142,138
Available for Sale Financial Investments	(8)	2,382,992,007	3,178,163,512
Loans & Overdrafts	(10&9)	20,375,525,133	17,464,675,855
(Net Of Provision for Doubtful Debts)			
Held to Maturity Financial Investments	(11)	443,894,166	822,284,338
Financial Investments in Subsidiary and Associated Co.	(12)	365,723,936	475,836,460
Debit Balances & Other Assets	(14)	1,020,565,573	821,707,644
Deferred Tax	(26)	52,819,475	40,632,719
Fixed Assets (Net)	(15)	607,104,820	497,753,223
Total Assets		47,521,040,172	37,422,495,623
Liabilities & Shareholder's Equity			
Liabilities			
Due to Banks	(16)	2,377,082,435	1,212,524,120
Customers Deposits	(17)	39,514,539,992	31,600,227,198
Dividends & Profit Sharing		-	287,235,147
Credit Balances & Other Liabilities	(18)	773,862,137	843,634,576
Long Term Loans	(19)	161,356,219	99,166,861
Other Provisions	(20)	395,332,813	339,825,378
Total Liabilities		43,222,173,596	34,382,613,280
Shareholders' Equity			
Issued & Paid - in Capital		1,950,000,000	1,950,000,000
Reserves		1,087,294,215	1,089,882,343
Reserve for employee stock ownership plan (ESOP)	(29)	29,159,584	
Total Shareholders' Equity	(21)	3,066,453,799	3,039,882,343
Net Profit of the Year		1,232,412,777	
Total Shareholders' Equity & Net Profit		4,298,866,576	3,039,882,343
Total Liabilities & Shareholders' Equity		47,521,040,172	37,422,495,623
Contingent & Commitments Liabilities	(22)	11,529,010,709	6,864,843,585

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

Income Statement Unconsolidated as of Dec. 31, 2007

	Note No.	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Interest Received from Clients & Banks		2,592,817,080	1,749,822,089
Interest Received from Treasury Bills & Bonds		400,845,143	567,945,991
Deduct			
Interest Paid to Clients & Banks		(1,796,702,031)	(1,378,162,881)
Net Interest Income		1,196,960,192	939,605,199
Banking Fees & Commissions		547,669,248	399,573,750
Shares Dividends		66,158,925	47,206,917
Foreign Exchange Profits	(23)	167,687,637	108,888,845
Profits From Selling Financial Investments		174,061,817	145,447,016
Profits From Dispose pat of Subsidiaries	(24)	148,393,558	-
Trading Financial Investments Revaluation Differences		7,680,871	16,534,014
Other Income		38,433,610	99,613,908
Total Fee Income		1,150,085,666	817,264,450
Net Operating Income		2,347,045,858	1,756,869,649
Deduct			
Provisions		(250,416,667)	(194,312,750)
Other Financial Investments Revaluation Differences	(25)	4,185,378	(15,812,507)
General & Administrative Expenses & Depreciation		(636,363,618)	(604,812,445)
Other Expenses		(77,832,699)	(63,627,935)
		(960,427,606)	(878,565,637)
Net Operating Profits		1,386,618,252	878,304,012
Non_Operating Income		1,269,870	418,000
Net Profit Before Tax		1,387,888,122	878,722,012
Income Tax	(27)	(167,662,101)	(83,778,952)
Deferred Tax	(27& 26)	12,186,756	7,101,704
Net Profit After Tax		1,232,412,777	802,044,764
Earning Per Share	(28)	5.59	3.64

A. CIB Stand-alone

Unconsolidated Cash Flow as of Dec. 31, 2007

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Cash Flow From Operating Activities		
Net Income before tax	1,387,888,122	878,722,012
Adjustments To Reconcile Net Income To Net Cash Provided by operating activities		
Depreciation	120,918,839	93,436,004
Provisions (Addition during the Year)	250,416,667	194,312,750
Trading financial investments evaluation differences	(7,680,871)	(16,534,014)
Other financial investments evaluation differences	(4,185,378)	15,812,507
Utilization Of Provisions (except provision for doubtful debts)	-	(330,916,414)
Provisions No Longer Used	(7,036,600)	-
FCY revaluation Differences of	(1,904,981)	(333,197)
Provisions Balances except doubtful debts		
Gains From Selling Fixed Assets	(1,269,870)	(418,000)
Profit From Selling financial Investments	(174,061,817)	(145,447,016)
Profits From Dispose part of a Subsidiary	(148,393,558)	-
Income tax paid	(80,317,367)	(34,049,494)
FCY revaluation diff. of Long Term Loans	1,733,674	1,928,090
Reserve for employee stock ownership plan (ESOP)	29,159,584	
Operating Profits Before Changes in Operating Assets & Liabilities	1,365,266,444	656,513,228
Net Decrease (Increase) in Assets		
Due From Banks	(7,960,703,701)	(1,983,839,488)
Treasury Bills and other Notes Discountable at the CBE	2,266,818,190	(651,338,798)
Trading financial Investments	306,349,739	968,521,368
Available for sale financial investments	1,121,812,258	(865,453,240)
Loans & Overdrafts	(3,054,288,046)	(3,591,677,947)
Debit Balances & Other Assets	(198,443,941)	(351,932,559)
Net Increase (Decrease) In Liabilities		
Due to Banks	1,164,558,315	492,844,016
Customers Deposits	7,914,312,794	6,729,969,165
Credit Balances & Other Liabilities	(150,080,573)	(231,362,804)
Net Cash Provided from Operating Activities	2,775,601,479	1,172,242,941

Unconsolidated Cash Flow as of Dec. 31, 2007

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Cash Flow From Investment Activities		
Sells (purchase) of subsidiaries & associated companies	107,524,396	(363,430,845)
Prepaid for Fixed Assets , Premises and Fitting- out of Branches	(278,980,037)	(262,195,650)
Redemption Of Held to maturity financial Investments	378,390,172	276,026,346
Net Cash (Used in)		
Investment Activities	206,934,531	(349,600,149)
Cash Flow From Financing Activities		
Increase in Long - Term Loans	60,455,684	(1,032,231)
Dividends Paid	(287,235,147)	(200,165,754)
Reserve for financial investments revaluation Diff.	-	-
Net Cash (Used in)		
Financing Activities	(226,779,463)	(201,197,985)
Net cash & cash equivalent changes	2,755,756,547	621,444,808
Beginning Balance of cash & cash equivalent	4,023,396,001	3,401,951,193
Cash & Cash Equivalent Balance At the End of the year	6,779,152,548	4,023,396,001
Cash & Cash Equivalent are Represented as Follows :		
Cash and Due from Central Bank	4,953,205,430	3,742,876,516
Due from Banks	13,782,062,043	5,432,677,413
Treasury Bills and other Notes Discountable at the CBE	2,948,674,319	4,058,745,805
Due from Banks (Time Deposits)	(13,264,218,534)	(5,303,514,833)
Treasury Bills with maturity more than three months	(1,640,570,710)	(3,907,388,900)
Total Cash & Cash Equivalent	6,779,152,548	4,023,396,001

A. CIB Stand-alone

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Statement of changes in Shareholders' Equity Unconsolidated as of Dec. 31, 2007

2006	Capital EGP	Legal Reserve EGP	General Reserve EGP	Special Reserve EGP	Reserve for investment Revaluation Diff. EGP	Profits of the Year EGP	Reserve for employee stock ownership plan (ESOP) EGP	Total EGP
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)	-	-	-	-	-
Transfer to reserves	-	40,102,238	474,707,379	-	-	(514,809,617)	-	-
Distributed profits	-	-	-	-	-	(287,235,147)	-	(287,235,147)
Net Profits of the year	-	-	-	-	-	802,044,764	-	802,044,764
Usage part of reserve	-	-	-	-	(2,187,372)	-	-	(2,187,372)
Balance at the end of The Year	1,950,000,000	371,230,872	548,482,934	162,709,903	7,458,634	-	-	3,039,882,343
2007	Capital EGP	Legal Reserve EGP	General Reserve EGP	Special Reserve EGP	Reserve for investment Revaluation Diff. EGP	Profits of the Year EGP	Reserve for employee stock ownership plan (ESOP)* EGP	Total EGP
Balance at beginning of The Year	1,950,000,000	371,230,872	548,482,934	162,709,903	7,458,634	-	-	3,039,882,343
Usage part of re-serve	-	-	-	-	(2,588,128)	-	-	(2,588,128)
Net Profits of the Year	-	-	-	-	-	1,232,412,777	-	1,232,412,777
Reserve for employee stock ownership plan (ESOP)	-	-	-	-	-	-	29,159,584	29,159,584
Balance At The End Of The Year	1,950,000,000	371,230,872	548,482,934	162,709,903	4,870,506	1,232,412,777	29,159,584	4,298,866,576

*Refer to note number (29)

Notes to Unconsolidated Financial Statement as of December 31, 2007**(1) Organization and Activities**

Commercial International Bank (Egypt) S.A.E was formed as a joint stock company on August 7, 1975 under the Investment Law No. 43 for 1974. The Bank is licensed to carry out all commercial banking activities in Egypt through its Head Office and eighty eight branches, in addition to forty three units.

(2) Significant Accounting Policies**A) Basis of Preparing Financial Statements**

The Unconsolidated Financial Statement is prepared in accordance with Central Bank of Egypt Financial Statements regulations issued on 27 June 2002 and its adjustments.

B) Transactions in Foreign Currencies

- The Accounting records of the bank are maintained in Egyptian pounds. Transactions in foreign currencies conducted during the year are recorded at the foreign exchange rates prevailing at the time such transactions take place .

Assets & Liabilities are revalued at the foreign exchange rates prevailing at the end of year , generated gain and losses are recorded in "Foreign Exchange Income" in the income statement.

- Forward contracts are evaluated at the end of the financial year at its fair value on this date using the forward rates for the remaining periods until maturity dates of these contracts. The revaluation differences are recorded in " Foreign Exchange Income " in the income statement.

- Currency SWAP contracts are recorded on the date of commitment under contingent liabilities accounts. The difference between the two parts of the contract is recorded in other liabilities or other assets as unrealized gain /loss on the date of commitment . The said difference is amortized by crediting / debiting the " Foreign Exchange Income" in the income statement.

- Premium paid for foreign currencies option contracts is recorded in the Balance Sheet under " Debit Balances & Other Assets " such premium is settled in the unconsolidated income statement according to the evaluation of these contracts at fair value. The difference between premium received and paid concern the customers hedging option contracts recorded in the Balance Sheet under " credit balances & other liabilities " category and settled in " foreign exchange income" on accrual basis.

C) Realization of Income

The bank applies the accrual basis in recording interest received from Loans & Overdrafts, Due from Banks, Treasury Bills , reverse repo and Bonds. Interest on past due Loans & Overdrafts are not recorded on the unconsolidated income statement. Dividends income are recognized when declared.

D) Treasury Bills

Treasury Bills are recorded at face value. The issuance discount is recorded in Other Liabilities and deducted from the Gross Treasury Bills balance on the Balance Sheet.

E) Repos & (Reverse Repos)Transactions

Repos (Reverse Repos) transactions are eliminated (recorded) on the Unconsolidated Balance Sheet under " Treasury Bills and Other Notes Discountable at the CBE " whereas its cost (revenue) is recorded on the income statement mate term "interest paid to clients & Banks" ("interest received from treasury Bills & Bonds ")

F) Evaluation of Trading Investments

- Trading investments including portfolios managed by other party are evaluated at the end of the financial year at its fair market value and the evaluation difference is recorded in income statement.

- Trading investments not satisfying the trading investment classification condition are evaluated at their book value. Such value is subject to be reduced in case of a continual decrease based on the comprehensive objective study of the latest unconsolidated financial statements for the company issued the securities. The evaluation difference is recorded in the income statement.

A. CIB Stand-alone

- Mutual fund certificates which have issued by the bank are evaluated at the end of the financial period at their fair market value and the evaluation difference is recorded in income statement.

G) Evaluation of Available for Sale Investments

Available for Sale Investments are evaluated at the lower of cost (taking in consideration the evaluation of Foreign Currency) or fair value for each investment and the differences are recorded in "other investments evaluation differences " in Income Statement.

In case of increase in the value , such increase is added to the same category within the limit of amounts previously charged to income statement for previous financial periods.

Except the difference related to prior years which up to the end of the year 2002 should be recorded as a special reserve in shareholders' equity. In case of decreases in the investment value its share in the special reserve will be utilized , and the remaining balance should be transferred to income statement.

In case of selling the investment, it's share in the special reserve should be transferred to income statement .

H) Evaluation of Held to Maturity Investments

Bonds purchased from the primary market are evaluated at cost, representing the nominal value adjusted by the issuing premium/ discount which is amortized using the straight line method. The amortization value is recorded in the interest received from treasury bills and bonds in the income statement.

The same treatment is applied to bonds purchased from the secondary market at a value higher or lower than the nominal value, and the cost is reduced by the gains related to the previous period of the purchasing date.

In case of downfall of the fair value of each bond the book value shall be adjusted and the difference is recorded in "other investments revaluation difference" in the unconsolidated income statement. In case of increase in fair value such increase is added to the same category within the limit of amounts previously charged to the income statement for previous financial periods.

The book value of foreign currency bonds is amended by the difference resulting from the revaluation of the foreign currency at the exchange rate prevailing at the evaluation date. Such differences are recorded in foreign exchange income in the income statement.

- Mutual fund certificates which must be held till maturity date as the bank is the issuer, are evaluated at cost and in case of downfall of its fair value the book value is adjusted by such downfall and charged to "Other Investments Revaluation Difference" in the unconsolidated income statement. In case of an increase in the fair value, such increase will be added to the same category in the income statement within the limit of the amounts previously charged.

I) Investments in Subsidiaries and Associated Companies

These investments are evaluated at cost and in case of downfall of its fair value, the book value of each investment is adjusted by such downfall and charged to "Other investments evaluation difference" in the income statement. In the case of an increase in the fair value, such increase will be added to the same category in the income statement within the limit of the amounts previously charged.

J) Assets Acquired for settlement of Debits

These Assets are recorded in the Financial Statement under " debit balances & Other Assets " at cost and in the case of a decrease of the fair value of these assets at the Balance Sheet date, the difference is charged to the income statement and the increase of the fair value should be credited to the income statement within the limit of amounts charged in previous financial periods.

K) Provision for Doubtful Debts and Contra Accounts

Provision For Doubtful Debts is established on the basis of an appraisal of the identified risk for specific facilities and loans in addition to one to five percent for General risk based on the risk inherent in any loan portfolio which is not specifically identified.

Provision for Doubtful Debts is decreased by loans written off and is increased by recoveries of loans previously written off. In addition to taking all the necessary legal action required, a continuous follow up

is performed for the recovery of all or part of the written-off amounts.

L) Contingent Liability Accounts

Contingent Liability Accounts include transactions in which the Bank is involved as a third party, forward foreign exchange contracts, SWAP transaction, Option. Such transactions do not represent actual bank's assets or liabilities at the Balance Sheet date.

M) Cash & Cash Equivalent

In the Statement of Cash Flow, the Cash and Cash Equivalent item includes balances of cash and due from Central Bank, current account balances with Banks and Treasury Bills with maturities of three months.

N) Depreciation and Amortization

Depreciation of Fixed Assets (Except the land) is calculated on the basis of the estimated useful life of each asset using the straight-line method.

Improvement and renovation expenses for the bank's leased premises are amortized over the period of the lease contract or the estimated useful life whichever is lower.

O) Income Tax

Income Tax on the profit or loss for the year comprises current and deferred tax is recognized in the Income statement.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantially enacted at the balance sheet date.

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes . The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities , using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(3) Financial Instruments and their risk management

(3/1) Financial Instruments

A) The bank's financial instruments are represented in the financial Assets and Liabilities. The financial assets include cash, due from banks, investments and loans to customers and banks. The financial liabilities include customers' deposits, due to banks and long-term loans. Financial investments also include rights and obligations stated under "contingent liabilities and commitments".

Note No. (2) of the notes to the unconsolidated financial statements includes the accounting policies applied to measure and recognize significant financial instruments and the revenues and expenses related thereto.

B) Financial Instruments Fair Value

Using the valuation basis of the bank's assets and liabilities, as referred to the notes to the Unconsolidated Financial Statements, the financial instruments' fair value do not substantially deviate from their book values at the Balance Sheet date. The notes No. (8),(11),(12) are showing the fair value for all investment (except Trading Investment) in the date of unconsolidated financial statement.

C) Forward Contract

According to Central Bank of Egypt instruction the bank doesn't execute deferred contracts except to the necessary limit of short term transaction to cover its requirements of Foreign currencies or the bank's customers' requirements to fulfill their obligations resulting from short-term transactions.

A. CIB Stand-alone

(3/2) Risk Management

A) Interest rate risk

The value of some financial instruments fluctuate due to the fluctuation in interest rates related thereto. The bank follows some procedures to minimize this risk such as:

- Correlating between the interest rates on borrowing and lending.
- Determining interest rates in consideration with the prevailing discount rates on various currencies.
- Monitoring the maturities of financial assets and liabilities with its related interest rates.

The notes No. (30 & 31) of the notes to the Unconsolidated Financial Statements disclose maturities of the assets and liabilities and the average interest rates applied to assets and liabilities during the year .

B) Credit risk

Loans to customers and Banks, financial Investments (Bonds), due from banks, rights and obligations from others, are financial assets exposed to credit risk which result in these parties' inability to repay in part or in full the loan granted to them at maturity.

The bank adopted the following procedures to minimize the credit risk.

- Preparing credit studies about the customers before dealing with them and determining credit risk rates related thereto.
- Obtaining adequate guarantees to reduce the risks resulting from insolvency of customers.
- Monitoring and preparing periodic studies about customers in order to evaluate their financial and credit positions and estimate the required provisions for non - performing loans.
- Distribution of loans portfolio and due from banks over various sectors to avoid concentration of risk.

Note No. (33) discloses the distribution of loans portfolio over various sectors.

C) Foreign Currency Risk

The nature of the bank's activity requires the bank to deal in many foreign currencies which exposes the bank to the risk of fluctuation in exchange rates. To minimize this risk, the bank monitors the balancing of foreign currency positions according to Central Bank of Egypt instructions in that respect. Note No. (34) of the unconsolidated financial statements discloses significant foreign currency positions at the Balance Sheet date.

A. CIB Stand-alone

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
4- Cash And Due From Central Bank		
Cash & Cash Items	1,081,319,202	684,845,076
Reserve Balance with CBE		
(A) Current Accounts	1,996,073,908	1,489,221,888
(B) Time Deposits	1,875,812,320	1,568,809,552
Total Cash & Due From Central Bank	4,953,205,430	3,742,876,516
5- Due from Banks		
(A) Central Bank		
Time Deposits	7,391,521,850	120,102,850
Total Due from central bank	7,391,521,850	120,102,850
(B) Local Banks		
Current Accounts	8,788,772	14,364,909
Time Deposits	155,000,000	85,620,000
Total Due from Local Banks	163,788,772	99,984,909
(C) Foreign Banks		
Current Accounts	509,054,737	114,797,671
Time Deposits	5,717,696,684	5,097,791,983
Total Due From Foreign Banks	6,226,751,421	5,212,589,654
Total Due From Banks	13,782,062,043	5,432,677,413
6- Treasury Bills and other Governmental Notes Discountable At the CBE		
CBE CD'S	-	3,315,000,000
91 Days Maturity	1,313,750,000	152,950,000
182 Days Maturity	748,800,000	137,150,000
364 Days Maturity	970,750,000	544,825,000
	3,033,300,000	4,149,925,000
Issuance Discount	(84,625,681)	(91,179,195)
Total	2,948,674,319	4,058,745,805

A. CIB Stand-alone

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
7- Trading Financial Investments		
Portfolio Managed By Other Parties	64,370,759	478,500,215
Mutual Funds	371,832,610	239,839,987
Bonds	51,603,627	95,195,095
Shares	100,666,274	73,606,841
Total Trading Financial Investments	588,473,270	887,142,138

The Financial Trading Investments are represented as follows :

Financial Investments listed in Stock Exchange	216,640,660	647,302,151
Financial Investments Unlisted in Stock Exchange	371,832,610	239,839,987
	588,473,270	887,142,138

8- Available for Sale Financial Investments**(A) Shares**

Bank's Shares	5,031	11,046,621
Corporate Shares	837,747,721	1,108,735,974

(B) Bonds

Governmental Bonds	855,848,389	1,477,526,784
Bank's Bonds	103,065,708	85,321,689
Corporate Bonds	586,325,158	495,532,444
	2,382,992,007	3,178,163,512

Available for sale financial investments are represented as follows :

Financial Investments listed in Stock Exchange	1,301,157,343	1,941,629,448
Financial Investments unlisted in Stock Exchange	1,081,834,664	1,236,534,064
	2,382,992,007	3,178,163,512

The market Value of Available for Sale Investments listed in the Capital market reached EGP 1,617,946,351 On December 31, 2007, compared to EGP 2,288,247,619 on December 31,2006

A. CIB Stand-alone

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
9- Loans and Overdrafts		
Discounted Bills	369,367,153	345,178,132
Loans & Overdrafts to Customer	20,979,609,432	17,719,608,802
Loans & Overdraft to Banks	398,371,745	652,533,908
	21,747,348,330	18,717,320,842
Unearned Bills discount	(33,299,487)	(6,134,160)
Provision For Doubtful Debts	(1,089,969,238)	(1,038,908,021)
Unearned Interest & commission	(248,554,472)	(207,602,806)
Net Loans & Overdrafts	20,375,525,133	17,464,675,855

	Dec. 31, 2007		
	Specific EGP	General EGP	Total EGP
10- Provision For Doubtful Debts			
Balance at beginning of the Year	551,958,000	486,950,021	1,038,908,021
Addition during the Year	91,524,201	101,480,050	193,004,251
written off debts recoveries	44,472,711	-	44,472,711
Foreign currency revaluation diff.	(8,580,249)	-	(8,580,249)
	679,374,663	588,430,071	1,267,804,734
Usage during the Year	(177,835,496)	-	(177,835,496)
Transferred from specific to general	(10,008,945)	10,008,945	-
Balance at the end of the Year	491,530,222	598,439,016	1,089,969,238

	Dec. 31, 2006		
	Specific EGP	General EGP	Total EGP
Balance at beginning of the year	583,672,503	365,228,009	948,900,512
Addition during the year	53,833,428	121,722,012	175,555,440
written off debts recoveries	100,062,106	-	100,062,106
Foreign currency revaluation diff.	(1,264,639)	-	(1,264,639)
	736,303,398	486,950,021	1,223,253,419
Usage during the Year	(228,447,476)	-	(228,447,476)
Transferred from provision of contingent liability	44,102,078	-	44,102,078
Balance at the end of the Year	551,958,000	486,950,021	1,038,908,021

A. CIB Stand-alone

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
11- Held to maturity Financial Investments		
A- Bonds		
Housing Bonds (maturity Dec.2019)	215,000	215,000
Corporate Bonds	411,179,166	789,569,338
Treasury Bonds	-	-
B- Mutual Funds		
250,000 Osoul Fund Certificates with market value LE 126.17 per certificate	25,000,000	25,000,000
50,000 Istethmar Fund Certificates with market value LE 139.87 per certificate	5,000,000	5,000,000
25,000 Aman Fund Certificates with market value LE 126.42 per certificate	2,500,000	2,500,000
	443,894,166	822,284,338
The held to maturity Financial Investments are represented as follows :-		
Financial Investments listed in Stock Exchange	311,279,817	667,740,018
Financial Investments Unlisted in Stock Exchange	132,614,349	154,544,320
	443,894,166	822,284,338

The market value of Held to Maturity Financial Investments reached EGP 337,511,601 on 31 December ,2007, while reached EGP 672,356,231 on 31 December 2006

Dec. 31, 2007 EGP	%	Dec. 31, 2006 EGP	%
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12- Financial Investments in Subsidiary and Associated Companies

A- Subsidiary Companies:

CI Capital Holding co. *	275,511,540	%50.09	368,390,000	%67
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B- Associated Companies:

Contact for Cars Trading	31,000,000	%38.4	31,000,000	%38.4
Commercial International life insurance co.	32,000,000	%40	32,000,000	%40
Corplease co.	18,400,000	%40	12,240,000	%40
Giro-Nil	-	-	12,390,000	%30
Cotecna Trade Support	48,750	%40	48,750	%40
Haykala For Investment	600,000	%40	600,000	%40
Royal & Sun Alliance	-	-	10,872,000	%20
Egypt Factors	3,763,646	%39	3,895,710	%39
International. Co. for Appraisal & Collection.	400,000	%40	400,000	%40
International Co. for Security & Services	4,000,000	%40	4,000,000	%40
	365,723,936		475,836,460	

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

Financial Investments listed in Stock Exchange	275,511,540	-
Financial Investments Unlisted in Stock Exchange	90,212,396	475,836,460
	365,723,936	475,836,460

- * According to the shareholders agreement dated 29. october 2006 :
- CIB share will be diluted to 47.5% after excuting of a shareholders swap.
 - The company is jointly controled by CIB and other investores.

A. CIB Stand-alone

Investments
value EGPPaid
EGPRemaining
EGP**13-Capital Commitments (Financial Investments):**

The capital commitments for the financial investments reached on the date of Financial position EGP 251,673,787 as follows :

Available for sale Financial investments	424,746,619	184,608,711	240,137,908
Financial Investments in subsidiaries co.	34,748,275	23,212,396	11,535,879

Dec. 31, 2007
EGPDec. 31, 2006
EGP**14- Debit Balances and Other Assets**

Accrued Interest receivable	460,512,142	286,829,442
Prepaid Expenses	52,588,918	28,645,872
Advances for Purchase of Fixed Assets	204,554,366	154,574,895
Assets Acquired for Settlement of Debts	29,361,646	78,927,129
Accounts receivable & Other Assets	275,561,186	271,731,041
Accrued Balances of Customers Loans *	241,625,336	252,458,000
	1,264,203,594	1,073,166,379
Deduct		
Provision for General Risk & Risk Insurance **	(243,638,021)	(251,458,735)
Total Debit Balances and Other Assets	1,020,565,573	821,707,644

* These balances carried forward from previous year represent certain advances to customers that were made at one of the branches in violation of the bank's standard operating procedures, resulting in reclassifying these balances under "other debit balances". Conservative provisions were adequately reallocated from other provisions to meet the relevant operation risk

** Refer to Note No. 20.

15-Fixed Assets (Net of Accumulated Depreciation) As Of Dec. 31, 2007

	Land EGP	Premises EGP	IT EGP	Vehicles EGP	Fitting -Out EGP	Machines & Equipment EGP	Furniture & Furnishing EGP	Total EGP
Opening Balance (3)	6,720,577	258,115,877	356,860,350	20,771,267	101,543,015	138,911,180	57,641,293	940,563,559
Additional during the Year	53,065,483	40,084,315	49,336,578	-	38,100,824	30,502,405	19,180,831	230,270,436
Closing Balance (1)	59,786,060	298,200,192	406,196,928	20,771,267	139,643,839	169,413,585	76,822,124	1,170,833,995
Accu. Depreciation at								
beginning of the Year (4)	-	78,567,600	191,346,450	15,797,804	65,270,769	66,977,497	24,850,216	442,810,336
Current Year Depreciation	-	12,822,074	56,607,110	2,000,669	23,583,789	16,762,757	9,142,440	120,918,839
Accu. Depreciation at end of the Year (2)	-	91,389,674	247,953,560	17,798,473	88,854,558	83,740,254	33,992,656	563,729,175
End of Year net asstes (1-2)	59,786,060	206,810,518	158,243,368	2,972,794	50,789,281	85,673,331	42,829,468	607,104,820
Beginning of Year net as- sets (3-4)	6,720,577	179,548,277	165,513,900	4,973,463	36,272,246	71,933,683	32,791,077	497,753,223
Depreciation rates		%5	%20	%20	%33.3	%12.5	%10	

- Net fixed assets value on the financial position date includes EGP 78,022,439 non registered assets while their registrations procedures are in process.

A. CIB Stand-alone

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
16- Due to Banks		
(a) Central Bank		
- Current Accounts	80,028,494	20,044,409
- Time Deposits	2,012,792,500	867,616,000
Total Due to Central Bank	2,092,820,994	887,660,409
(b) Local Banks		
- Current Accounts	24,932,808	15,860,437
- Time Deposits	28,480,310	107,541,554
Total Due to Local Banks	53,413,118	123,401,991
(c) Foreign Banks		
- Current Accounts	199,834,891	201,260,025
- Time Deposits	31,013,432	201,695
Total Due to foreign Banks	230,848,323	201,461,720
Total Due to Banks	2,377,082,435	1,212,524,120
17- Customers' Deposits		
- Demand Deposits	11,586,418,467	8,836,825,720
- Time & Notice Deposits	13,622,910,338	11,033,225,620
- Saving & Deposit Certificates	5,957,646,007	5,190,298,212
- Saving Deposits	6,517,256,544	5,349,962,762
- Other Deposits	1,830,308,636	1,189,914,884
Total Customer Deposits	39,514,539,992	31,600,227,198

A. CIB Stand-alone

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
18- Credit Balances and Other Liabilities		
Accrued Interest Payable	140,677,147	109,691,056
Accrued Expenses	31,856,339	34,131,526
Accounts Payable	387,694,032	569,480,973
Income Tax	167,662,101	82,305,727
Other Liabilities	45,972,518	48,025,294
Total Credit Balances And Other Liabilities	773,862,137	843,634,576

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	Rate %	Maturity date	Maturing through next year	Balance as of Dec-07	Balance as of Dec-06
19- Long Term Loans					
F.I.S.C.	7	3-5 years	40,125,600	40,565,200	-
K.F.W	9-10.5	10 YEARS	4,733,269	15,195,955	9,461,379
UNIDO	1	2011	2,866,393	8,038,908	10,483,577
Ministry of Agriculture (F.S.D.P)	3.5 - 5.5 depends on maturity date	3-5 years	54,935,674	92,594,906	70,617,084
Ministry of Agriculture (V.S.P)	3.5 - 5.5 depends on maturity date	3-5 years	10,000	10,000	30,000
Social Fund	3 months T/D or 9% which more	2010	1,900,000	4,951,250	8,574,821
Total			104,570,936	161,356,219	99,166,861

A. CIB Stand-alone

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20- Other Provisions

	Dec. 31, 2007 EGP						
	Opening Balance	Addition During the Year	FCY Balance Reval. Difference	Usage During the Year	Transfer During the Year	Transferred To Debit Balances & Other Assets	Closing Balance
Provision for Income Tax claims	227,173,695	-	-	-	-	-	227,173,695
Provision for Legal Claims	1,126,794	-	(3,676)	-	-	-	1,123,118
Provision for contingent	111,524,889	57,412,416	(1,901,305)	-	-	-	167,036,000
Total Other Provisions	339,825,378	57,412,416	(1,904,981)	-	-	-	395,332,813
	Dec. 31, 2006 EGP						
	Opening Balance	Addition During the Year	FCY Balance Reval. Difference	Usage During the Year	Transfer	Transferred To Debit Balances & Other Assets	Closing Balance
Provision for Income Tax claims	621,677,559	-	-	(329,503,864)	(65,000,000)	-	227,173,695
Provision for Legal Claims	1,728,828	178,750	(8,604)	(772,180)	-	-	1,126,794
Provision for contingent	138,878,000	17,073,560	(324,593)	-	(44,102,078)	-	111,524,889
Provision for General risk *	161,835,372	1,505,000	-	-	65,000,000	(228,340,372)	-
Provision for Bank Risk insurance *	23,880,238	-	(121,505)	(640,370)	-	(23,118,363)	-
Total Other Provisions	947,999,997	18,757,310	(454,702)	(330,916,414)	(44,102,078)	(251,458,735)	339,825,378

* These balances were reclassified under "other debit balances" to meet the possible loss of value in certain assets resulting from violation of the bank's standard operating procedures that were reclassified from "Loans to Customers". Please refer to clarification # 14 for further details.

21- Shareholders Equity

(a) Capital

- The Authorized Capital reached EGP 5000 Million according to the Extraordinary General Assembly decision on 19, March, 2006.
- Issued and Paid - in capital reached to EGP 1950 Million divided to 195 Million shares with par value EGP 10 per each.
- The Extraordinary General Assembly approved in the meeting of June, 26, 2006 to Activate a motivating and rewarding program for the bank's employees & managers through employee share ownership plans (ESOPs) 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 & conditions and increase the paid in capital according to the program.

(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.
- According to CBE regulations, a reserve has been formed for difference revaluation for financial investment (available for sale) in foreign currency for preceding years (up to 2002) , and this reserve is used in case of sale or decrease in the value of that investment , and the income statement will be carried with the difference according to the issued instruction for such matter.

Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
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22- Contingent & Commitments Liabilities

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Letters of Guarantee	8,710,811,993	5,636,795,144
Letters of Credit (import & export)	2,233,007,892	865,777,545
Customers Acceptances	616,046,795	418,344,500
Forward Foreign Exchange contracts (bought)	2,315,808,497	1,353,283,099
Forward Foreign Exchange contracts (sold)	(2,314,413,012)	(1,352,168,802)
Swap Deals (bought)	2,031,770,686	1,048,742,044
Swap Deals (sold)	(2,064,022,142)	(1,105,929,945)
Option (bought)	4,040,915	60,744,244
Option (sold)	(4,040,915)	(60,744,244)
Total	11,529,010,709	6,864,843,585

A. CIB Stand-alone

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
23-Foreign Exchange Profits (losses)		
Profit from dealing with foreign currencies	155,304,325	103,752,327
Profit (loss) of revaluation of Monetary assets and Liabilities *	13,024,355	3,094,818
Profit (loss) of Forward deals revaluation	(841,440)	1,254,271
Profit revaluation of options	200,397	787,429
Total	167,687,637	108,888,845

* Include an increase of EGP 29,843,292 due to the foreign currencies revaluation differences of the financial trading & available for sale investments by EGP 5,101,086 & EGP 24,742,206 respectively against decrease in financial investments revaluation differences' items in income statement .

24- Profits From Selling Financial Investments in Subsidiaries

Include EGP 148,393,558 from selling 9,287,846 shares of CIB'S stake in CI.Holding Co.

25- Other Financial investments revaluation differences

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Available for sale financial investments	4,185,378	(15,812,507)
Total	4,185,378	(15,812,507)
	Assets (liabilities) Dec. 31, 2007 EGP	Assets (liabilities) Dec. 31, 2006 EGP

26- Deferred tax assets and liabilities

Recognized deferred tax assets (liabilities)

Deferred tax assets and liabilities are attributable to the following:

Deferred tax

Fixed assets depreciation	(22,155,045)	(19,762,207)
Other provisions(excluded loan loss & contingent liabilities and income tax provisions)	48,952,228	50,517,106
Other items(other investments revaluation difference)	20,190,375	9,877,820
Reserve for employee stock ownership plan (ESOP)	5,831,917	
Total deferred tax assets(liabilities)	52,819,475	40,632,719

Last 12 months Dec. 31, 2007 EGP	Last 12 months Dec. 31, 2006 EGP
--	--

27- Reconciliation of effective tax rate

	Last 12 months Dec. 31, 2007 EGP	Last 12 months Dec. 31, 2006 EGP
Profit Before Tax	1,387,888,122	878,722,012
Tax Rate	20%	20%
Income tax	277,577,624	175,744,402
Add / (Deduct)		
Non-deductible expenses	(9,606,764)	9,773,223
Tax exemptions	(139,463,112)	(127,760,292)
Effect of provisions	26,967,598	18,919,914
Income tax	155,475,345	76,677,248
Effective tax rate	11.20%	8.73%

28- Earning per share

	Last 12 months Dec. 31, 2007 EGP	Last 12 months Dec. 31, 2006 EGP
Net profit for the year	1,232,412,777	802,044,764
Board members' bonus	(18,486,192)	(12,030,671)
Staff profit sharing	(123,241,278)	(80,204,476)
Shareholders' share in profits	1,090,685,308	709,809,616
Number of shares	195,000,000	195,000,000
Earning per share	5.59	3.64

29- Share-Based Payments:

«According to the extraordinary general assembly meeting on June 26, 2006 , the bank activated a 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 period (3 years) with corresponding increase in equity based on estimated number of shares that will eventually vest. the fair value for such equity instruments measured by use of Black-Scholes pricing model.

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

	Number of Shares
Outstanding at the beginning of the period	-
Granted During the period	1,909,350
Forfeited during the period	-
Exercised during the period	-
Expired during the period	-
Outstanding at the end of the period	1,909,350

The estimated fair value of the Equity instrument (Right to share) granted is EGP 45.82 .

Totaling LE 29,159,584 at the end of Dec. 2007

A. CIB Stand-alone

	Maturity Within one year	Maturity Over One Year
30- Assets & Liabilities Maturities		
Assets		
Cash and Due from Central Bank	4,953,205,430	-
Due from Banks	13,782,062,043	-
Treasury Bills and other Notes Discountable at the CBE	3,033,300,000	-
Trading Investments	588,473,270	-
Available for sale investments	2,382,992,007	-
Customers' Loans & Overdrafts	9,858,027,721	11,242,394,392
Banks' Loans & Overdrafts	220,529	398,151,216
Held to maturity Investments	-	443,894,166
Investments in subsidiary companies	-	365,723,936
Debit Balances and Other Assets	1,020,565,573	-
	35,618,846,573	12,450,163,710
Liabilities		
Due to Banks	2,377,082,435	-
Customer Deposits	32,819,825,756	6,694,714,236
Long Term Loans	104,570,936	56,785,283
Credit Balances and Other Liabilities	773,862,137	-
	36,075,341,263	6,751,499,520

31- Interest Rate

- The average interest rates applied for Assets and Liabilities during the Year are 6.78 % & 3.91 % Respectively.

32- Tax Status

- The bank's corporate income tax position has been examined and settled with the Tax Authority from the start up of operations up to the end of year 1984.
- Corporate income tax for the years from 1985 up to 2000 were paid according to the Tax appeal Committee decision and the disputes are under discussion in the court of law.
- The bank's corporate income tax position has been examined and settled with the Tax Authority from 2001 up to 2002 .
- Corporate income tax for the years from 2003 up to 2004 were paid according to the internal Committee decision and the final settlement is under discussion with the tax appeal committee.
- The bank pays salary tax according to concerning domestic regulations and laws, and the disputes are under discussion in the court of law.
- The bank pay stamp duty tax according to concerning domestic regulations and laws, and the disputes are under discussion in the court of law.

33- Distribution of Assets, Liabilities and Contingent Accounts

Assets	Local Currency	Foreign Currency
1- Due From Banks	7,555,310,622	6,226,751,421
2- Loans & Overdrafts		%
Agriculture Sector	61,593,282	.3
Industrial Sector	8,709,754,272	40.
Trading Sector	954,041,289	4.4
Services Sector	8,112,056,815	37.3
Household Sector	2,063,672,092	9.5
Other Sectors	1,846,230,580	8.5
Total Loans & Overdrafts (Including unearned interest)	21,747,348,330	100
Unearned Discounted Bills	(33,299,487)	
Provision for Doubtful Debts	(1,089,969,238)	5.0
Unearned Interest & Commission	(248,554,472)	
Net Loans & Overdrafts	20,375,525,133	
Liabilities	Local Currency	Foreign Currency
1- Due to Banks	49,339,486	2,327,742,949
2- Customers' Deposits		%
Agriculture Sector	65,997,581	.2
Industrial Sector	5,142,043,546	13.
Trading Sector	2,414,487,913	6.1
Services Sector	7,661,870,572	19.4
Household Sector	20,526,954,379	51.9
Other Sector	3,703,186,002	9.4
Total Customers' Deposits	39,514,539,993	100
Contingent Accounts	Local Currency	Foreign Currency
Letters of Guarantee	2,684,248,902	6,026,563,091
Letter of Credit (import & export)	21,925,488	2,211,082,404
Customers Acceptances	103,283,915	512,762,880
Forward Foreign Exchange contracts (bought)	298,533,897	2,017,274,600
Forward Foreign Exchange contracts (sold)	(4,427,418)	(2,309,985,594)
Swap Deals (bought)	-	2,031,770,686
Swap Deals (sold)	(817,334,150)	(1,246,687,992)
Option (bought)	-	4,040,915
Option (sold)	-	(4,040,915)
	2,286,230,634	9,242,780,075

A. CIB Stand-alone

34- Main Currencies Positions

	Dec. 31, 2007 in thousand EGP	Dec. 31, 2006 in thousand EGP
Egyptian Pound	(13,959)	5,550
US Dollar	(56,955)	(54,691)
Sterling pound	(389)	2,408
Japanese Yen	(377)	27,721
Swiss Franc	821	369
Euro	14,449	14,894

35-Mutual Funds

(1) 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.- joint stock co - manages the fund.
- The number of certificates reached 57,068,881 with redeemed value LE 7,200,380,716.
- The market value per certificate reached EGP 126.17 on 29/12/2007.
- The Bank portion got 3,083,666 certificates with redeemed value EGP 389,066,139 .

(2) Istethmar Fund

- The 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.- joint stock co - manages the fund.
- The number of certificates reached 2,257,365 with redeemed value LE 315,737,643.
- The market value per certificate reached EGP 139.87 on 29/12/2007.
- The Bank portion got 115,132 certificates with redeemed value EGP 16,103,513.

(3) Aman Fund (CIB & Faisal Islamic Bank Mutual Fund)

- The bank & 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.- joint stock co - manages the fund.
- The number of certificates reached 1,021,976 with redeemed value LE 129,198,206.
- The market value per certificate reached EGP 126.42 on 29/12/2007.
- The Bank portion got 26,571 certificates with redeemed value EGP 3,359,106.

36-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.

	EGP
Due from Banks	-
Loans & Overdrafts	499,579,973
Investment in subsidiary companies	365,723,936
Due to banks	-
Customer Deposits	171,610,151
Contingent Accounts	25,000,000

A. CIB Stand-alone

	Income	Expenses
Contact Co.	16,823,303.12	983,078.53
International Co. for Security & Services	983,078.53	3,033,819
International. Co. for Appraisal & Collection.	-	566,161.67
Corplease co.	54,969,523.64	10,051,223.24
Commercial International life insurance co.	860,674.26	3,170,677.27
Commercial International Brokerage co.	1,270,906	2,602,489

37- Comparative Figures

The Comparative Figures are amended to confirm with the reclassification of the current year and General Assembly held in 19th of March, 2007 decisions, for ratifying the Appropriation account of year 2006.

Financial Statement
B. Consolidated CIB & CI-CH



Integrity



Hazem Hassan

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INDEPENDENT AUDITORS' REPORT

To The Board Of Directors of Commercial International Bank (Egypt)

We have audited the accompanying consolidated balance sheet of the Commercial International Bank (Egypt) S.A.E as of December 31, 2007, and the related consolidated statements of income, changes in equity and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Egyptian Standards on auditing and in the light of provisions of applicable Egyptian Laws and regulations. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We have obtained the information and explanations which we deemed necessary for our audit. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Commercial International Bank (Egypt) S.A.E as of December 31, 2007, and of the results of its operations and its cash flows for the year then ended 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 amendments and in compliance with applicable Egyptian laws and regulations.

Ehab Fawzy Akl

KPMG Hazem Hassan

Public Accountants & Consultants

KPMG Hazem Hassan
Public Accountants and Consultants

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Cairo, 21 February 2008

B. Consolidated CIB & CI-CH

Consolidated Balance Sheet as of Dec. 31, 2007

	Note No.	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Assets			
Cash & Due From Central Bank	(4)	4,953,205,430	3,742,876,516
Due From Banks	(5)	13,883,232,504	5,732,124,959
Treasury Bills and other Notes Discountable at the CBE	(6)	2,951,621,063	4,063,410,070
Trading Financial Investments	(7)	683,832,861	901,082,369
Available for Sale Financial Investments	(8)	2,389,267,275	3,185,837,471
Brokers Debit Balances		122,917,170	29,844,377
Reconciliation accounts-Debit Balances		21,108,870	7,582,500
Loans & Overdrafts (Net Of Provision for Doubtful Debts)	(9&10)	20,375,525,133	17,464,380,824
Held to Maturity Financial Investments	(11)	443,894,166	822,284,338
Financial Investments in Associated Co.	(12)	90,714,548	108,060,063
Debit Balances & Other Assets	(14)	1,035,176,214	925,039,945
Goodwill	(15)	140,613,801	23,118,175
Deferred Tax	(27)	51,900,192	40,497,075
Fixed Assets (Net)	(16)	620,238,883	506,815,866
Total Assets		47,763,248,110	37,552,954,548
Liabilities & Shareholder's Equity Liabilities			
Liabilities			
Due to Banks	(17)	2,378,613,378	1,212,600,638
Customers Deposits	(18)	39,476,052,841	31,567,391,935
Brokers-Credit Balances		162,358,363	147,780,532
Reconciliation accounts-Credit Balances		1,292,008	
Credit Balances & Other Liabilities	(19)	798,512,196	801,194,034
Long Term Loans	(20)	161,356,219	99,166,861
Other Provisions	(21)	397,849,636	342,342,201
Total Liabilities		43,376,034,641	34,170,476,201
Shareholders' Equity			
Issued & Paid-in Capital		1,950,000,000	1,950,000,000
Reserves		1,117,015,372	575,072,726
Reserve for employee stock ownership plan (ESOP)	(30)	29,159,584	
Minority Interest		5,263,160	5,825,182
Total Shareholders' Equity	(22)	3,101,438,116	2,530,897,908
Net Profit of the Year		1,285,775,353	851,580,439
Total Shareholders' Equity & Net Profit		4,387,213,469	3,382,478,347
Total Liabilities & Shareholders' Equity		47,763,248,110	37,552,954,548
Contingent & Commitments Liabilities	(23)	11,528,985,664	6,864,843,585

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

B. Consolidated CIB & CI-CH

Consolidated Income Statement as of Dec. 31, 2007

	Note No.	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Interest Received from Clients & Banks		2,593,957,148	1,749,323,991
Interest Received from Treasury Bills & Bonds		404,398,106	568,023,867
Deduct			
Interest Paid to Clients & Banks		(1,797,842,883)	(1,375,481,400)
Net Interest Income		1,200,512,371	941,866,458
Banking Fees & Commissions		665,185,633	441,311,795
Shares Dividends		71,536,293	49,790,772
Foreign Exchange Profits	(24)	167,845,005	108,916,719
Profits From Selling Financial Investments		174,663,447	145,618,186
Profits From Dispose part of Subsidiaries	(25)	148,393,558	
Trading Financial Investments Revaluation Differences		8,210,793	16,534,014
Other Income		43,362,321	98,205,425
Profit of acquiring			25,573,096
Total Fee Income		1,279,197,050	885,950,007
Net Operating Income		2,479,709,421	1,827,816,465
Deduct			
Provisions		(250,988,033)	(194,312,750)
Other Financial Investments Revaluation Differences	(26)	4,185,378	(15,812,507)
General & Administrative Expenses & Depreciation		(697,705,207)	(619,316,387)
Other Expenses		(77,832,699)	(63,653,792)
		(1,022,340,561)	(893,095,436)
Net Operating Profits		1,457,368,860	934,721,029
Non_Operating Income		1,269,870	418,000.00
Net Profit Before Tax		1,458,638,730	935,139,029
Income Tax	(28)	(181,576,439)	(89,552,254)
Deferred Tax	(28&27)	11,459,368	7,048,958
Net Profit After Tax		1,288,521,659	852,635,733
Distripute by			
Minority Interest		2,746,306	1,055,294
CIB Shareholders' Equity		1,285,775,353	851,580,439
Earning Per Share	(29)	5.84	3.86

B. Consolidated CIB & CI-CH

Consolidated Cash Flow as of Dec. 31, 2007

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Cash Flow From Operating Activities		
Net Income before tax	1,458,638,730	935,139,031
Adjustments To Reconcile Net Income To Net Cash Provided by operating activities		
Depreciation	122,518,015	93,764,839
Provisions (Addition during the Year)	250,917,567	194,312,750
Trading financial investments evaluation differences	(8,210,793)	(16,534,014)
Other financial investments evaluation differences	(4,185,378)	93,007,586
Utilization Of Provisions (except provision for doubtful debts)		(330,276,044)
Provisions No Longer Used	(7,036,600)	
FCY revaluation Differences of Provisions Balances except doubtful debts	(1,904,981)	(333,197)
Gains From Selling Fixed Assets	(1,269,870)	(418,000)
Profit From Selling financial Investments	(174,663,447)	(145,618,187)
Profits From Dispose part of Subsidiaries	(148,393,558)	
Income tax paid	(80,317,367)	(34,049,494)
FCY revaluation diff.of Long Term Loans	1,733,674	1,928,090
Reserve for employee stock ownership plan (ESOP)	29,159,584	
Profit of acquiring		(25,573,096)
Operating Profits Before Changes in Operating Assets & Liabilities	1,436,985,576	765,350,264
Net Decrease (Increase) in Assets		
Due From Banks	(7,961,652,630)	(1,983,839,488)
Treasury Bills and other Notes Discountable at the CBE	2,268,535,711	(656,003,063)
Trading financial Investments	225,460,301	954,581,137
Available for sale financial investments	1,123,421,877	(950,151,108)
Loans & Overdrafts	(3,054,288,046)	(3,591,382,916)
Debit Balances & Other Assets	(213,637,494)	(453,977,899)
Net Increase (Decrease) In Liabilities		
Due to Banks	1,166,089,258	492,920,535
Customers Deposits	7,875,825,643	6,697,133,902
Credit Balances & Other Liabilities	(84,436,632)	(280,217,017)
Net Cash Provided from Operating Activities	2,782,303,563	994,414,347

B. Consolidated CIB & CI-CH

Consolidated Cash Flow as of Dec. 31, 2007

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Cash Flow From Investment Activities		
Sale (Purchase) of subsidiaries & associated companies	15,148,088	4,345,553
Prepaid for Fixed Assets , Premises and Fittingout of Branches	(284,632,707)	(272,125,579)
Redemption Of Held to maturity financial Investments	378,390,172	276,026,346
Cash results from acquisition		77,473,483
Financial Investments in Subsidiary (Goodwill)	(117,495,626)	
Net Cash (Used in) Investment Activities	(8,590,073)	85,719,803
Cash Flow From Financing Activities		
Increase in Long-Term Loans	60,455,684	(1,032,231)
Dividends Paid	(310,359,381)	(200,165,754)
Reserve for financial investments revaluation Diff.	-	-
Current Shareholders Debit	-	-
Capital Paid	-	181,610,000
Net Cash (Used in) Financing Activities	(249,903,697)	(19,587,985)
Net cash & cash equivalent changes	2,523,809,794	1,060,546,165
Beginning Balance of cash & cash equivalent	4,355,564,286	3,295,018,121
Cash & Cash Equivalent Balance At the End of the year	6,879,374,080	4,355,564,286
Cash & Cash Equivalent are Represented as Follows :		
Cash and Due from Central Bank	4,953,205,430	3,742,876,516
Due from Banks	13,883,232,504	5,732,124,959
Treasury Bills and other Notes Discountable at the CBE	2,951,621,063	4,063,410,070
Due from Banks (Time Deposits)	(13,265,167,463)	(5,410,447,905)
Treasury Bills with maturity more than three months	(1,643,517,454)	(3,772,399,354)
Total Cash & Cash Equivalent	6,879,374,080	4,355,564,286

B. Consolidated CIB & CI-CH

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Consolidated Statement of changes in Shareholders' Equity as of Dec. 31, 2007

	Capital EGP	Legal Reserve EGP	General Reserve EGP	Special Reserve EGP	Reserve for investment Revaluation Diff. EGP	Undivided Profit EGP	Profits of the Year EGP	Reserve for employee stock ownership plan EGP	Minority Interest EGP	Total EGP
2006										
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)	-	-	-	-	-	-	-
Net Profits of the year	-	-	-	-	-	-	851,580,441	-	-	851,580,441
Usage part of reserve	-	-	-	-	(2,187,372)	-	-	-	-	(2,187,372)
Minority Interest	-	-	-	-	-	-	-	-	5,825,182.49	5,825,182
Balance at the end of The Year	1,950,000,000	331,128,634	73,775,555	162,709,903	7,458,634	-	851,580,441	-	5,825,182	3,382,478,350
2007										
Balance at beginning of The Year	1,950,000,000	331,128,634	73,775,555	162,709,903	7,458,634	-	851,580,441	-	5,825,182	3,382,478,350
Transfer to reserves	-	40,102,238	474,707,379	-	-	-	(514,809,617)	-	-	-
Net Profits of the Year	-	-	-	-	-	-	1,285,775,353	-	2,746,306	1,288,521,659
Distributed profits	-	-	-	-	-	-	(307,051,052)	-	(3,308,329)	(310,359,381)
Usage part of reserve	-	-	-	-	(2,588,128)	-	-	-	-	(2,588,128)
Undivided Profit	-	-	-	-	-	29,721,156	(29,719,772)	-	-	1,384
Reserve for employee stock ownership plan	-	-	-	-	-	-	-	29,159,584	-	29,159,584
Minority Interest	-	-	-	-	-	-	-	-	-	-
Balance At The End Of The Year	1,950,000,000	371,230,872	548,482,934	162,709,903	4,870,506	29,721,156	1,285,775,353	29,159,584	5,263,160	4,387,213,468

*Refer to note number (30)

Notes to Consolidated Financial Statement as of December 31, 2007**(1) Organization and Activities****A) Commercial International Bank (Egypt) S.A.E.**

It was formed as a joint stock company on August 7th, 1975 under the Investment Law No. 43 for 1974. The Bank is licensed to carry out all commercial banking activities in Egypt through its Head Office and eighty eight branches, in addition to forty three units.

B) CI Capital Holding Co S.A.E.

It was formed as a joint stock company on April 9th, 2005 under the capital market law no. 95 for 1992 and its executive regulations. Financial register no. 166798 on April 4th, 2005 and the company has been licensed by the capital market authority to carry out its activities under license no. 333 on May 24th, 2006.

As of Dec. 31st, 2007 the bank directly owns 27,551,154 shares represents 50.09% of CI Capital Holding company's capital . According to the shareholders' agreement dated October 10, 2006 effective April 2007.

As of December 31st, 2007 CI Capital Holding Co. directly owns the following shares in its subsidiaries:

Company Name	No. of Shares	Ownership%	Indirectly Share%
CIBC Co.	539.88	89.98	45.07
CI Assets Management	445.499	89.09	44.63
Concept Co.	448.500	89.70	44.93
In Search Co	448.500	89.70	44.93
Dynamic Brokerage Co.	3.392.000	99.91	50.04
Blue Nile Co. for consultant	50.000	100.00	50.09
United Brokerage Co. – Dubai	5.000.000	49.00	24.54

(2) Significant Accounting Policies**A) Basis of Preparing Financial Statements**

The Financial Statement is prepared in accordance with the Central Bank of Egypt's Financial Statement Regulations. And takes into consideration on 27 June 2002, and its adjustment.

B) Basis of consolidation

As CIB owns 50.09% of CI Capital holding which is a jointly control company between CIB and other investors, CIB management decided to follow the proportion method in preparing the consolidated Financial Statement with retroactive effect in 2006.

The consolidated financial statements include assets and liabilities and results of operation of the Commercial International Bank-Egypt and its subsidiaries which are controlled by the bank. The basis of the consolidation are as follows:

- Dropping 50.09% from the balances of mutual deals between CIB and C.I. Capital Holding Co.
- All intra-group balances and transactions have been eliminated
- Minority interest in the equity and results of operation of the subsidiaries controlled by the bank is shown as a separate item in the consolidated financial statements and is calculated based on their share in the assets and liabilities of the subsidiaries.

C) Transactions in Foreign Currencies

- The Accounting records of the bank are maintained in Egyptian pounds. Transactions in foreign currencies conducted during the year are recorded at the foreign exchange rates prevailing at the time such transactions take place.

Assets & Liabilities are revalued at the foreign exchange rates prevailing at the end of year, generated gain and losses are recorded in "Foreign Exchange Income" in the income statement.

B. Consolidated CIB & CI-CH

- Forward contracts are evaluated at the end of the financial year at its fair value on this date using the forward rates for the remaining periods until maturity dates of these contracts. The revaluation differences are recorded in " Foreign Exchange Income " in the income statement .

- Currency SWAP contracts are recorded on the date of commitment under contingent liabilities accounts. The difference between the two parts of the contract is recorded in other liabilities or other assets as unrealized gain /loss on the date of commitment. The said difference is amortized by crediting / debiting the " Foreign Exchange Income" in the income statement.

- Premium paid for foreign currencies option contracts is recorded in the Balance Sheet under " Debit Balances & Other Assets " such premium is settled in the income statement according to the evaluation of these contracts at fair value. The difference between premium received and paid concern the customers hedging option contracts recorded in the Balance Sheet under " credit balances & other liabilities " category and settled in " foreign exchange income" on accrual basis.

D) Realization of Income

The bank applies the accrual basis in recording interest received from Loans & Overdrafts, Due from Banks, Treasury Bills, reverse repos and Bonds. Interest on past due Loans & Overdrafts are not recorded on the income statement. Dividends income are recognized when declared .

E) Operating revenues in the holding company:

The activities income of the subsidiaries companies comes as soon as the related service is done, the services are :

- Consultancy services to the group before the acquisition date.
- Securities trading fees & commission for the customers.
- Management fees as follows:

1- Mutual funds & investment portfolios management fees:

- The management fees are calculated as a percentage " according to the agreement terms & conditions" of the net mutual fund assets on a monthly basis and classified in the revenue on an accrual basis.
- Commission calculated as a percentage of net mutual fund assets fair value on a daily basis.

2- Performance fees:

performance fees calculated by specific ratios from customers portfolios annual return in case of it exceeds a specific return based on the contract terms and its calculated based on the return on the net assets such fees are excluded from revenues unless they meet the booking terms.

F) Treasury Bills & Other Discountable Notes at CBE

Treasury Bills are recorded at face value. The issuance discount is recorded in Other Liabilities and deducted from the Gross Treasury Bills balance on the Balance Sheet.

G) Repos & (Reverse Repos)Transactions

Repos (Reverse Repos) transactions are eliminated (recorded) on the Balance Sheet under " Treasury Bills and Other Notes Discountable at the CBE " whereas its cost (revenue) is recorded on the income statement mate term "interest paid to clients & Banks" ("interest received from treasury Bills & Bonds ")

H) Evaluation of Trading Investments

- Trading investments including portfolios managed by other party are evaluated at the end of the financial year at its fair market value and the evaluation difference is recorded in income statement.

- Trading investments not satisfying the trading investment classification condition are evaluated at their book value. Such value is subject to be reduced in case of a continual decrease based on the comprehensive objective study of the latest financial statements for the company issued the securities. The evaluation difference is recorded in the income statement.

- Mutual fund certificates which have issued by the bank are evaluated at the end of the financial period at their fair market value and the evaluation difference is recorded in income statement .

I) Evaluation of Available for Sale Investments

Available for Sale Investments are evaluated at the lower of cost (taking in consideration the evaluation of Foreign Currency) or fair value for each investment and the differences are recorded in "other investments evaluation differences " in Income Statement.

In case of increase in the value , such increase is added to the same category within the limit of amounts previously charged to income statement for previous financial periods.

Except the difference related to prior years which up to the end of the year 2002 should be recorded as a special reserve in shareholders' equity. In case of decreases in the investment value its share in the special reserve will be utilized, and the remaining balance should be transferred to income statement.

In case of selling the investment, its share in the special reserve should be transferred to income statement.

J) Evaluation of Held to Maturity Investments

Bonds purchased from the primary market are evaluated at cost, representing the nominal value adjusted by the issuing premium/ discount which is amortized using the straight line method. The amortization value is recorded in the interest received from treasury bills and bonds in the income statement.

The same treatment is applied to bonds purchased from the secondary market at a value higher or lower than the nominal value, and the cost is reduced by the gains related to the previous period of the purchasing date.

In case of downfall of the fair value of each bond the book value shall be adjusted and the difference is recorded in "other investments revaluation difference" in the income statement. In case of increase in fair value such increase is added to the same category within the limit of amounts previously charged to the income statement for previous financial periods.

The book value of foreign currency bonds is amended by the difference resulting from the revaluation of the foreign currency at the exchange rate prevailing at the evaluation date. Such differences are recorded in foreign exchange income in the income statement.

- Mutual fund certificates which must be held till maturity date as the bank is the issuer , are evaluated at cost and in case of downfall of its fair value the book value is adjusted by such downfall and charged to "Other Investments Revaluation Difference" in the income statement. In case of an increase in the fair value. Such increase will be added to the same category in the income statement within the limit of the amounts previously charged.

K) Investments in Subsidiaries and Associated Companies

These investments are evaluated at cost and in case of downfall of its fair value, the book value of each investment is adjusted by such downfall and charged to "Other investments evaluation difference" in the income statement. In the case of an increase in the fair value. Such increase will be added to the same category in the income statement within the limit of the amounts previously charged. Also investments in jointly controlled companies are evaluated at cost.

L) Assets Acquired for settlement of Debts

These Assets are recorded in the Financial Statement under " debit balances & Other Assets " at cost and in the case of a decrease of the fair value of these assets at the Balance Sheet date, the difference is charged to the income statement and the increase of the fair value should be credited to the income statement within the limit of amounts charged in previous financial periods.

M) Provision for Doubtful Debts and Contra Accounts

Provision For Doubtful Debts is established on the basis of an appraisal of the identified risk for specific facilities and loans in addition to one to five percent for General risk based on the risk inherent in any loan portfolio which is not specifically identified.

B. Consolidated CIB & CI-CH

Provision for Doubtful Debts is decreased by loans written off and is increased by recoveries of loans previously written off. In addition to taking all the necessary legal action required, a continuous follow up is performed for the recovery of all or part of the written-off amounts.

N) Contingent Liability Accounts

Contingent Liability Accounts include transactions in which the Bank is involved as a third party , forward foreign exchange contracts, SWAP transaction , Option. Such transactions do not represent actual bank's assets or liabilities at the Balance Sheet date.

O) Cash & Cash Equivalent

In the Statement of Cash Flow, the Cash and Cash Equivalent item includes balances of cash and due from Central Bank, current account balances with Banks and Treasury Bills with maturities of three months.

P) Depreciation and Amortization

Depreciation of Fixed Assets (Except the land) is calculated on the basis of the estimated useful life of each asset using the straight-line method.

Improvement and renovation expenses for the bank's leased premises are amortized over the period of the lease contract or the estimated useful life whichever is lower.

Q) Income Tax

Income Tax on the profit or loss for the year comprises current and deferred tax is recognized in the Income statement.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantially enacted at the balance sheet date .

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

L) Intangible Assets (goodwill)

The basis of calculation was executed primarily and temporarily at the end of the period using assets or liabilities or contingent liabilities balances for the acquired company.

(3) Financial Instruments and their risk management

(3/1) Financial Instruments

A) The bank's financial instruments are represented in the financial Assets and Liabilities. The financial assets include cash, due from banks, investments and loans to customers and banks . The financial liabilities include customers' deposits, due to banks and long-term loans. Financial investments also include rights and obligations stated under « contingent liabilities and commitments

Note No. (2) of the notes to the financial statements includes the accounting policies applied to measure and recognize significant financial instruments and the revenues and expenses related thereto.

B) Financial Instruments Fair Value

Using the valuation basis of the bank's assets and liabilities, as referred to the notes to the Financial Statements, the financial instruments' fair value do not substantially deviate from their book values at the Balance Sheet date. The notes No. (8),(11),(12) are showing the fair value for all investment (ex-

cept Trading Investment) in the date of financial statement.

C) Forward Contract

According to Central Bank of Egypt instruction the bank doesn't execute deferred contracts except to the necessary limit of short term transaction to cover its requirements of Foreign currencies or the bank's customers' requirements to fulfill their obligations resulting from short-term transactions.

(3/2) Risk Management

A) Interest rate risk

The value of some financial instruments fluctuate due to the fluctuation in interest rates related thereto. The bank follows some procedures to minimize this risk such as:

- Correlating between the interest rates on borrowing and lending.
- Determining interest rates in consideration with the prevailing discount rates on various currencies.
- Monitoring the maturities of financial assets and liabilities with its related interest rates.

The notes No. (31 & 32) of the notes to the Financial Statements disclose maturities of the assets and liabilities and the average interest rates applied to assets and liabilities during the year .

B) Credit risk

Loans to customers and Banks, financial Investments (Bonds), due from banks, rights and obligations from others, are financial assets exposed to credit risk which result in these parties' inability to repay in part or in full the loan granted to them at maturity.

The bank adopted the following procedures to minimize the credit risk.

- Preparing credit studies about the customers before dealing with them and determining credit risk rates related thereto .
- Obtaining adequate guarantees to reduce the risks resulting from insolvency of customers.
- Monitoring and preparing periodic studies about customers in order to evaluate their financial and credit positions and estimate the required provisions for non - performing loans.
- Distribution of loans portfolio and due from banks over various sectors to avoid concentration of risk.

Note No. (34) discloses the distribution of loans portfolio over various sectors.

C) Foreign Currency Risk

The nature of the bank's activity requires the bank to deal in many foreign currencies which exposes the bank to the risk of fluctuation in exchange rates. To minimize this risk, the bank monitors the balancing of foreign currency positions according to Central Bank of Egypt instructions in that respect. Note No. (35) of the financial statements discloses significant foreign currency positions at the Balance Sheet date.

B. Consolidated CIB & CI-CH

4- Cash And Due From Central Bank

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Cash & Cash Items	1,081,319,202	684,845,076
Reserve Balance with CBE		
(A) Current Accounts	1,996,073,908	1,489,221,888
(B) Time Deposits	1,875,812,320	1,568,809,552
Total Cash & Due From Central Bank	4,953,205,430	3,742,876,516

5- Due from Banks

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
(A) Central Bank		
Time Deposits	7,391,521,850	120,102,850
Total Due from central bank	7,391,521,850	120,102,850
(B) Local Banks		
Current Accounts	109,010,305	313,812,455
Time Deposits	155,948,929	85,620,000
Total Due from Local Banks	264,959,233	399,432,455
(C) Foreign Banks		
Current Accounts	509,054,737	114,797,671
Time Deposits	5,717,696,684	5,097,791,983
Total Due From Foreign Banks	6,226,751,421	5,212,589,654
Total Due From Banks	13,883,232,504	5,732,124,959

6- Treasury Bills and other Governmental Notes Discountable At the CBE

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
CBE CD'S		3,317,003,600
91 Days Maturity	1,313,750,000	152,950,000
182 Days Maturity	751,830,445	138,903,150
364 Days Maturity	970,750,000	544,825,000
	3,036,330,445	4,153,681,750
Issuance Discount	(84,709,382)	(91,260,207)
	2,951,621,063	4,062,421,543
Reverse Repos		988,527
Repos		
	2,951,621,063	4,063,410,070

B. Consolidated CIB & CI-CH

7- Trading Financial Investments

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Portfolio Managed By Other Parties	64,370,759	478,500,215
Mutual Funds	465,016,024	252,017,934
Bonds	51,603,627	95,195,095
Shares	102,842,451	75,369,125
Total Trading Financial Investments	683,832,861	901,082,369

The Financial Trading Investments are represented as follows :

Financial Investments listed in Stock Exchange	218,816,837	649,064,435
Financial Investments Unlisted in Stock Exchange	465,016,024	252,017,934
	683,832,861	901,082,369

8- Available for Sale Financial Investments

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
(A) Shares		
Bank's Shares	5,031	11,046,621
Corporate Shares	844,022,989	1,116,409,933
(B) Bonds		
Governmental Bonds	855,848,389	1,477,526,784
Bank's Bonds	103,065,708	85,321,689
Corporate Bonds	586,325,158	495,532,444
	2,389,267,275	3,185,837,471

Available for sale financial investments are represented as follows :

Financial Investments listed in Stock Exchange	1,301,157,343	1,941,629,448
Financial Investments unlisted in Stock Exchange	1,088,109,932	1,244,208,023
	2,389,267,275	3,185,837,471

The market Value of Available for sale Investments listed in the Capital market reached EGP 1,617,946,351

On Dec. 31, 2007, compared to EGP 2,288,247,619 on December 31,2006

B. Consolidated CIB & CI-CH

9- Loans and Overdrafts

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Discounted Bills	369,367,153	345,178,132
Loans & Overdrafts to Customer	20,979,609,432	17,719,313,771
Loans & Overdraft to Banks	398,371,745	652,533,908
	21,747,348,330	18,717,025,811
Unearned Bills discount	(33,299,487)	(6,134,160)
Provision For Doubtful Debts	(1,089,969,238)	(1,038,908,021)
Unearned Interest & commission	(248,554,472)	(207,602,806)
Net Loans & Overdrafts	20,375,525,133	17,464,380,824

10- Provision For Doubtful Debts

	Specific EGP	Dec. 31, 2007 General EGP	Total EGP
Balance at beginning of the Year	551,958,000	486,950,021	1,038,908,021
Addition during the Year	91,524,201	101,480,050	193,004,251
written off debts recoveries	44,472,711	-	44,472,711
Foreign currency revaluation diff.	(8,580,249)	-	(8,580,249)
	679,374,663	588,430,071	1,267,804,734
Usage during the Year	(177,835,496)	-	(177,835,496)
Transferred from specific to general	(10,008,945)	10,008,945	-
Balance at the end of the Year	491,530,222	598,439,016	1,089,969,238

	Specific EGP	Dec. 31, 2007 General EGP	Total EGP
Balance at beginning of the year	583,672,503	365,228,009	948,900,512
Addition during the year	53,833,428	121,722,012	175,555,440
written off debts recoveries	100,062,106	-	100,062,106
Foreign currency revaluation diff.	(1,264,639)	-	(1,264,639)
	736,303,398	486,950,021	1,223,253,419
Usage during the Year	(228,447,476)	-	(228,447,476)
Transferred from provision of contingent liability	44,102,078	-	44,102,078
Balance at the end of the Year	551,958,000	486,950,021	1,038,908,021

B. Consolidated CIB & CI-CH

11- Held to maturity Financial Investments

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
A- Bonds		
Housing Bonds (maturity Dec.2019)	215,000	215,000
Corporate Bonds	411,179,166	789,569,338
B- Mutual Funds		
250,000 Osoul Fund Certificates with market value LE 126.17 per certificate	25,000,000	25,000,000
50,000 Istethmar Fund Certificates with market value LE 139.87 per certificate	5,000,000	5,000,000
25,000 Aman Fund Certificates with market value LE 126.42 per certificate	2,500,000	2,500,000
	443,894,166	822,284,338

The held to maturity Financial Investments are represented as follows :

Financial Investments listed in Stock Exchange	311,279,817	667,740,018
Financial Investments Unlisted in Stock Exchange	132,614,349	154,544,320
	443,894,166	822,284,338

The market value of Held to Maturity Financial Investments reached EGP 337,511,601 on 31 December ,2007, while reached EGP 672,356,231 on 31 December 2006

B. Consolidated CIB & CI-CH

12- Financial Investments in Associated Companies

	Dec. 31, 2007 EGP	%	Dec. 31, 2007 EGP	%
A- Associated Companies:				
Contact for Cars Trading	31,000,000	%38.4	31,000,000	%38.4
Commercial International life insurance co.	32,000,000	%40	32,000,000	%40
Corplease co.	18,400,000	%40	12,240,000	%40
Giro-Nil	-	-	12,390,000	%30
Cotecna Trade Support	48,750	%40	48,750	%40
Haykala For Investment	601,252	47.5%	712,703	%50.05
Royal & Sun Alliance	-	-	10,872,000	%20
Egypt Factors	3,763,646	%39	3,895,710	%39
International. Co. for Appraisal & Collection.	400,000	%40	400,000	%40
International Co. for Security & Services	4,500,900	45%	4,500,900	%46.7
	90,714,548		108,060,063	

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

Financial Investments listed in Stock Exchange	-	-
Financial Investments Unlisted in Stock Exchange	90,714,548	108,060,063
	90,714,548	108,060,063

13- Capital Commitments (Financial Investments):

The capital commitments for the financial investments reached on the date of Financial position EGP 251,673,787 as follows :

	Investments value EGP	Paid EGP	Remaining EGP
Available for sale Financial investments	424,746,619	184,608,711	240,137,908
Financial Investments in subsidiaries co.	34,748,275	23,212,396	11,535,879

B. Consolidated CIB & CI-CH

14- Debit Balances and Other Assets

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Accrued Interest receivable	460,502,319	287,098,900
Prepaid Expenses	54,175,158	28,979,566
Advances for Purchase of Fixed Assets	204,935,394	155,099,982
Assets Acquired for Settlement of Debts	29,361,646	78,927,129
Due From Associated Companies	-	28,019
Accounts receivable & Other Assets	288,214,383	373,907,084
Accrued Balances of Customers Loans *	241,625,336	252,458,000
	1,278,814,235	1,176,498,680
Deduct		
Provision for General Risk & Risk Insurance **	(243,638,021)	(251,458,735)
Total Debit Balances and Other Assets	1,035,176,214	925,039,945

* These balances represent certain advances to customers that were made at one of the branches in violation of the bank's standard operating procedures, resulting in reclassifying these balances under "other debit balances". Conservative provisions were adequately reallocated from other provisions to meet the relevant operation risk

** Refer to Note No. 21.

15- Intangible Asstes (Goodwill)

Represent 50.09% (CIB share) of the intangible assets results from CI capital holding Acquired 49% of united broker Co. Dubai on 17/12/2006 ,100% of Blue Nile Consultant Co. on 27/12/2006 and 99.91% of Dynamic Broker Co on 19/02/2007.

According to the inability of determining the fair value for acquire intangible assets for Dynamic Broker Co only . The difference between the book value and the fair value of the assets, liabilities and Contingent Liabilities represent EGP 234,569,028 recorded as primarily and temporarily Goodwill at the end of the period till maintaning the final calculation.

B. Consolidated CIB & CI-CH

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16- Fixed Assets (Net of Accumulated Depreciation)

As Of Dec. 31, 2007								
Dec. 31, 2007	Land EGP	Premises EGP	IT EGP	Vehicles EGP	Fitting -Out EGP	Machines & Equipment EGP	Furniture & Furnishing EGP	Total EGP
Opening Balance (3)	10,727,777	258,115,877	360,280,607	21,774,492	101,525,090	139,713,045	59,330,660	951,467,548
Additional during the Year	53,065,483	40,084,315	50,891,952	754,023	38,118,749	31,088,280	21,630,832	235,633,634
Closing Balance (1)	63,793,260	98,200,192	411,172,560	22,528,515	139,643,839	170,801,325	80,961,492	1,187,101,182
Accu.Depreciation at beginning of the Year (4)	-	78,567,600	192,569,154	16,048,461	65,270,769	67,178,539	25,017,159	444,651,682
Current Year Depreciation	-	12,822,074	57,241,037	2,261,093	23,601,714	16,876,296	9,408,404	122,210,618
Accu.Depreciation at end of the Year (2)	-	91,389,674	249,810,190	18,309,555	88,872,483	84,054,835	34,425,563	566,862,300
End of Year net asstes (1-2)	63,793,260	206,810,518	161,362,369	4,218,960	50,771,356	86,746,490	46,535,929	620,238,883
Beginning of Year net assets (3-4)	10,727,777	179,548,277	167,711,453	5,726,030	36,254,321	72,534,507	34,313,501	506,815,866
Depreciation rates		%5	%20	%20	%33.3	%12.5	%10	

Net fixed assets value on the financial position date includes EGP 78,022,439 non registered assets while their registrations procedures are in process.

B. Consolidated CIB & CI-CH

17- Due to Banks

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
(a) Central Bank		
Current Accounts	80,028,494	20,044,409
Time Deposits	2,012,792,500	867,616,000
Total Due to Central Bank	2,092,820,994	887,660,409
(b) Local Banks		
Current Accounts	26,463,751	15,936,955
Time Deposits	28,480,310	107,541,554
Total Due to Local Banks	54,944,061	123,478,509
(c) Foreign Banks		
Current Accounts	199,834,891	201,260,025
Time Deposits	31,013,432	201,695
Total Due to foreign Banks	230,848,323	201,461,720
Total Due to Banks	2,378,613,378	1,212,600,638

18- Customers' Deposits

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Demand Deposits	11,566,831,688	8,822,372,913
Time & Notice Deposits	13,612,928,991	11,023,762,189
Saving & Deposit Certificates	5,948,726,982	5,181,379,187
Saving Deposits	6,517,256,544	5,349,962,762
Other Deposits	1,830,308,636	1,189,914,884
Total Customer Deposits	39,476,052,841	31,567,391,935

19- Credit Balances and Other Liabilities

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Accrued Interest Payable	140,677,147	109,691,056
Accrued Expenses	34,419,304	35,125,589
Accounts Payable	576,182,550	604,311,441
Due to Associated & Subsidiaries Companies	598,907	514,815
Dividends & Profit Sharing		2,300,783
Other Liabilities	46,634,289	49,250,350
Total Credit Balances And Other Liabilities	798,512,196	801,194,034

B. Consolidated CIB & CI-CH

20- Long Term Loans

	Rate %	Maturity date	Maturing through next year	Balance as of Dec-07	Balance as of Dec-06
F.I.S.C.	7	3-5 years	40,125,600	40,565,200	
K.F.W	9-10.5	10 YEARS	4,733,269	15,195,955	9,461,379
UNIDO	1	2011	2,866,393	8,038,908	10,483,577
Ministry of Agriculture (F.S.D.P)	3.5 - 5.5 depends on maturity date	3-5 years	54,935,674	92,594,906	70,617,084
Ministry of Agriculture (V.S.P)	3.5 - 5.5 depends on maturity date	3-5 years	10,000	10,000	30,000
Social Fund	3 months T/D or 9% which more	2010	1,900,000	4,951,250	8,574,821
Total			104,570,936	161,356,219	99,166,861

B. Consolidated CIB & CI-CH

21- Other Provisions

Dec. 31, 2007 EGP							
	Opening Balance	Addition During the Year	FCY Balance Reval. Difference	Usage During the Year	Transfer During the Year	Transferred To Debit Balances & Other Assets	Closing Balance
Provision for Income Tax claims	229,198,246						229,198,246
Provision for Legal Claims	1,126,794		(3,676)				1,123,118
Provision for contingent	111,524,889	57,412,416	(1,901,305)				167,036,000
Provision for Operating	492,272						492,272
Total Other Provisions	342,342,201	57,412,416	(1,904,981)				397,849,636
Dec. 31, 2007 EGP							
	Opening Balance	Addition During the Year	FCY Balance Reval. Difference	Usage During the Year	Transfer During the Year	Transferred To Debit Balances & Other Assets	Closing Balance
Provision for Income Tax claims	623,702,110			(329,503,864)	(65,000,000)		229,198,246
Provision for Legal Claims	1,728,828	178,750	(8,604)	(772,180)			1,126,794
Provision for contingent	138,878,000	17,073,560	(324,593)		(44,102,078)		111,524,889
Provision for General risk *	161,835,372	1,505,000			65,000,000	(228,340,372)	
Provision for Bank Risk insurance *	23,880,238		(121,505)	(640,370)		(23,118,363)	
Provision for Operating	492,272						492,272
Total Other Provisions	950,516,820	18,757,310	(454,702)	(330,916,414)	(44,102,078)	(251,458,735)	342,342,201

* These balances were reclassified under "other debit balances" to meet the possible loss of value in certain assets resulting from violation of the bank's standard operating procedures that were reclassified from "Loans to Customers". Please refer to clarification # 14 for further details.

B. Consolidated CIB & CI-CH

22- 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 to EGP 1950 Million divided to 195 Million shares with par value EGP 10 per each.
- The Extraordinary General Assembly approved in the meeting of June,26,2006 to Activate a motivating and rewarding program for the bank's employees & managers through employee share ownership plans (ESOPs) 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 & conditions and increase the paid in capital according to the program.

(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.
- According to CBE regulations, a reserve has been formed for difference revaluation for financial investment (available for sale) in foreign currency for preceding years (up to 2002) , and this reserve is used in case of sale or decrease in the value of that investment , and the income statement will be carried with the difference according to the issued instruction for such matter .

23- Contingent & Commitments Liabilities

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Letters of Guarantee	8,710,786,948	5,636,795,144
Letters of Credit (import & export)	2,233,007,892	865,777,545
Customers Acceptances	616,046,795	418,344,500
Forward Foreign Exchange contracts (bought)	2,315,808,497	1,353,283,099
Forward Foreign Exchange contracts (sold)	(2,314,413,012)	(1,352,168,802)
Swap Deals (bought)	2,031,770,686	1,048,742,044
Swap Deals (sold)	(2,064,022,142)	(1,105,929,945)
Option (bought)	4,040,915	60,744,244
Option (sold)	(4,040,915)	(60,744,244)
Total	11,528,985,664	6,864,843,585

B. Consolidated CIB & CI-CH

24- Foreign Exchange Profits (losses)

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Profit from dealing with foreign currencies	155,304,325	103,752,327
Profit (loss) of revaluation of Monetary assets and Liabilities *	13,181,723	3,122,692
Profit (loss) of Forward deals revaluation	(841,440)	1,254,271
Profit revaluation of options	200,397	787,429
Total	167,845,005	108,916,719

* Include an increase of EGP 29,843,292 due to the foreign currencies revaluation differences of the financial trading & available for sale investments by EGP 5,101,086 & EGP 24,742,206 respectively against decrease in financial investments revaluation differences' items in income statement.

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25- Profits From Selling Financial Investments in Subsidiaries

Include EGP 148,393,558 from selling 9,287,846 shares of CIB'S stake in CI.Holding Co.

26- Other Financial investments revaluation differences

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Available for sale financial investments	4,185,378	(15,812,507)
Total	4,185,378	(15,812,507)

27- Deferred tax assets and liabilities

	Assets (liabilities) Dec. 31, 2007 EGP	Assets (liabilities) Dec. 31, 2006 EGP
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Recognized deferred tax assets (liabilities)

Deferred tax assets and liabilities are attributable to the following:

Deferred tax

Fixed assets depreciation	(23,074,328)	(19,897,851)
Other provisions(excluded loan loss & contingent liabilities and income tax provisions)	48,952,228	50,517,106
Other items(other investments revaluation difference)	20,190,375	9,877,820
Reserve for employee stock ownership plan (ESOP)	5,831,917	
Total deferred tax assets(liabilities)	51,900,192	40,497,075

B. Consolidated CIB & CI-CH

28- Reconciliation of effective tax rate

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Profit Before Tax	1,458,638,730	935,139,029
Tax Rate	20%	20%
Income tax	291,727,746	187,027,806
Add / (Deduct)		
Non-deductible expenses	(2,453,094)	9,939,347
Tax exemptions	(146,125,178)	(129,112,668)
Effect of provisions	26,967,598	18,919,914
Settlement of tax for profit before acquiring		(4,271,103)
Income tax	170,117,071	82,503,296
Effective tax rate	11.66%	8.82%

29- Earning per share

	Dec. 31, 2007 EGP	Dec. 31, 2006 EGP
Net profit for the year	1,285,775,353	851,580,439
Board member's bonus	(19,286,630)	(12,773,707)
Staff profit sharing	(128,577,535)	(85,158,044)
Shareholders' share in profits	1,137,911,187	753,648,689
Number of shares	195,000,000	195,000,000
Earning per share	5.84	3.86

30- Share-Based Payments:

According to the extraordinary general assembly meeting on June 26, 2006, the bank activated a 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 have) 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 period (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 period are as follows:

	Number of Shares
Outstanding at the beginning of the period	-
Granted During the period	1,909,350
Forfeited during the period	-
Exercised during the period	-
Expired during the period	-
Outstanding at the end of the period	1,909,350

The estimated fair value of the Equity instrument (Right to share) granted is EGP 45.82, Totaling LE 29,159,584 at the end of Dec. 2007

B. Consolidated CIB & CI-CH

31- Assets & Liabilities Maturities

	Maturity Within one year	Maturity Over One Year
Assets		
Cash and Due from Central Bank	4,953,205,430	-
Due from Banks	13,883,232,504	-
Treasury Bills and other Notes Discountable at the CBE	3,036,330,445	-
Trading Investments	683,832,861	-
Available for sale investments	2,389,267,275	-
Customers' Loans & Overdrafts	9,858,027,721	11,242,394,392
Banks' Loans & Overdrafts	220,529	398,151,216
Held to maturity Investments	-	443,894,166
Investments in subsidiary companies	-	90,714,548
Debit Balances and Other Assets	1,035,176,214	-
	35,839,292,979	12,175,154,322
Liabilities		
Due to Banks	2,378,613,378	-
Customer Deposits	32,781,338,604	6,694,714,236
Long Term Loans	104,570,936	56,785,283
Credit Balances and Other Liabilities	798,512,196	-
	36,063,035,114	6,751,499,520

32- Interest Rate

The average interest rates applied for Assets and Liabilities during the Year are 6.78 % & 3.91 % Respectively .

33- Tax Status

(A) Commercial International Bank

- The bank's corporate income tax position has been examined and settled with the Tax Authority from the start up of operations up to the end of year 1984.
- Corporate income tax for the years from 1985 up to 2000 were paid according to the Tax appeal Committee decision and the disputes are under discussion in the court of law.
- The bank's corporate income tax position has been examined and settled with the Tax Authority from 2001 up to 2002.
- Corporate income tax for the years from 2003 up to 2004 were paid according to the internal Committee decision and the final settlement is under discussion with the tax appeal committee.
- The bank pays salary tax according to concerning domestic regulations and laws, and the disputes are under discussion in the court of law.
- The bank pay stamp duty tax according to concerning domestic regulations and laws, and the disputes are under discussion in the court of law.

(B) CI Capital Holding Co.

- CI Capital Holding company was established on April 9,2005 according to the law # 95 for year 1992 & its regulations and as for taxation law the company goes under law # 91 for year 2005 & its regulations.
- The company did not receive any tax claim concerning income tax , salaries , and stamp duty .

B. Consolidated CIB & CI-CH

34- Distribution of Assets, Liabilities and Contingent Accounts

Asset	Local Currency	Foreign Currency
1-Due From Banks	7,656,481,083	6,226,751,421
2- Loans & Overdrafts		%
Agriculture Sector	61,593,282	.3
Industrial Sector	8,709,754,272	40.
Trading Sector	954,041,289	4
Services Sector	8,112,056,815	37.2
Household Sector	2,063,672,092	9.5
Other Sectors	1,846,230,580	8.5
Total Loans & Overdrafts (Including unearned interest)	21,747,348,330	100
Unearned Discounted Bills	(33,299,487)	
Provision for Doubtful Debts	(1,089,969,238)	5.0
Unearned Interest & Commission	(248,554,472)	
Net Loans & Overdrafts	20,375,525,133	
Liabilities	Local Currency	Foreign Currency
1- Due to Banks	50,870,429	2,327,742,949
2- Customers' Deposits		%
Agriculture Sector	65,997,581	.2
Industrial Sector	5,142,043,546	13.
Trading Sector	2,414,487,913	6.1
Services Sector	7,623,383,420	19.3
Household Sector	20,526,954,379	52.
Other Sector	3,703,186,002	9.4
Total Customers' Deposits	39,476,052,840	100
Contingent Accounts	Local Currency	Foreign Currency
Letters of Guarantee	2,684,223,857	6,026,563,091
Letter of Credit (import & export)	21,925,488	2,211,082,404
Customers Acceptances	103,283,915	512,762,880
Forward Foreign Exchange contracts (bought)	298,533,897	2,017,274,600
Forward Foreign Exchange contracts (sold)	(4,427,418)	(2,309,985,594)
Swap Deals (bought)	-	2,031,770,686
Swap Deals (sold)	(817,334,150)	(1,246,687,992)
Option (bought)	-	4,040,915
Option (sold)	-	(4,040,915)
	2,286,205,589	9,242,780,075

B. Consolidated CIB & CI-CH

Main Currencies Positions

	Dec. 31, 2007 in thousand EGP	Dec. 31, 2006 in thousand EGP
Egyptian Pound	(13,959)	5,550
US Dollar	(56,955)	(54,691)
Sterling pound	(389)	2,408
Japanese Yen	(377)	27,721
Swiss Franc	821	369
Euro	14,449	14,894

36- Mutual Funds

(1) 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.joint stock co manages the fund.
- The number of certificates reached 57,068,881 with redeemed value LE 7,200,380,716.
- The market value per certificate reached EGP 126.17 on 29/12/2007.
- The Bank portion got 3,083,666 certificates with redeemed value EGP 389,066,139 .

(2) Istethmar Fund

- The 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.joint stock co manages the fund.
- The number of certificates reached 2,257,365 with redeemed value LE 315,737,643.
- The market value per certificate reached EGP 139.87 on 29/12/2007.
- The Bank portion got 115,132 certificates with redeemed value EGP 16,103,513.

(3) Aman Fund (CIB & Faisal Islamic Bank Mutual Fund)

- The bank & 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.joint stock co manages the fund.
- The number of certificates reached 1,021,976 with redeemed value LE 129,198,206.
- The market value per certificate reached EGP 126.42 on 29/12/2007.
- The Bank portion got 26,571 certificates with redeemed value EGP 3,359,106.

37- 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.

	EGP	
	Income	Expenses
Due from Banks		-
Loans & Overdrafts	499,579,973	-
Investment in subsidiary companies	90,714,548	-
Due to banks	-	-
Customer Deposits	149,823,536	-
Contingent Accounts	25,000,000	-
Contact Co.	16,823,303	983,079
International Co. for Security & Services	983,079	3,033,819
International. Co. for Appraisal & Collection.	-	566,162
Corplease co.	54,969,524	10,051,223
Commercial International life insurance co.	860,674	3,170,677

B. Consolidated CIB & CI-CH

38- Comparative Figures

Consolidated balance sheet comparative figures has been adjusted as follows :

1) According to the shareholders agreement dated October 10,2006 . CIB share in CI Capital Holding has been adjusted to be 50.09 % instead of 67.6% which was previously used in preparing 2006 consolidated Financial statement.

2) CIB management decided to follow the proportion method in preparing the consolidated financial statement with retroactive effect in 2006 comparative figures.

- The Comparative figures were amended to cope with the reclassification of the current year .

BANK ASSETS	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Cash & Due from CBE	1,470.1	1,632.7	1,618.0	1,119.2	1,119.2	1,119.2	1,119.2	1,119.2	3,742.9	4,953.2
Due from Banks	692.8	1,379.4	2,056.7	1,156.2	1,156.2	1,156.2	1,156.2	1,156.2	5,432.7	13,782.1
Treasury Bills	584.0	311.1	682.7	2,495.9	2,495.9	2,495.9	2,495.9	2,495.9	4,058.7	2,948.7
Investment	843.5	1,524.6	1,596.4	642.2	642.2	642.2	642.2	642.2	5,363.4	3,781.1
Loans & Advances (net of provisions)	9,408.7	9,841.7	10,313.0	7,899.6	7,899.6	7,899.6	7,899.6	7,899.6	17,464.7	20,375.5
Sundry Assets	169.0	216.0	230.5	144.8	144.8	144.8	144.8	144.8	862.3	1,073.4
Non-Banking Assets	109.1	110.1	136.0	100.3	100.3	100.3	100.3	100.3	497.8	607.1
Total Assets	13,277.2	15,015.6	16,633.3	18,601.4	19,758.6	24,153.4	27,976.7	30,389.5	37,422.5	47,521.0
BANK LIABILITIES	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Customer Deposits	8,729.7	10,187.3	11,375.1	13,993.8	15,814.7	20,414.7	23,979.2	24,870.3	31,600.2	39,514.5
Bank Deposits	1,213.0	269.4	176.9	285.1	327.9	163.3	224.7	719.7	1,212.5	2,377.1
Dividends & Profit Sharing	229.1	266.4	288.0	289.9	238.8	242.5	285.7	200.2	287.2	336.7
Bonds	300.0	600.0	600.0	600.0	300.0	-	-	-	-	-
Mid-Term Borrowings	788.5	1,303.6	1,396.9	768.0	326.0	270.4	121.0	98.3	99.2	161.4
Provisions & other Liabilities	734.8	1,022.3	1,332.9	1,089.3	1,033.7	1,154.5	1,243.1	1,973.9	1,183.5	1,169.2
Net Worth	1,282.2	1,366.6	1,463.5	1,575.3	1,717.4	1,908.0	2,123.1	2,527.1	3,039.9	3,962.1
Total Liabilities & Net Worth	13,277.2	15,015.6	16,633.3	18,601.4	19,758.6	24,153.4	27,976.7	30,389.5	37,422.5	47,521.0
PROFIT & LOSS STATEMENT										
ITEM	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Interest Income	984.9	1,162.1	1,391.6	1,363.4	1,390.5	1,447.9	1,617.1	2,028.2	2,317.8	2,993.7
Interest Expense	(692.0)	(765.8)	(943.6)	(925.3)	(883.4)	(869.1)	(908.2)	(1,132.3)	(1,378.2)	(1,796.7)
Net Interest Income	292.9	396.3	448.0	438.1	507.1	578.8	708.9	895.9	939.6	1,197.0
Fees & other Income	373.1	292.2	394.5	455.0	423.7	432.5	563.8	589.7	817.7	1,151.4
SG&A	(147.9)	(173.3)	(189.2)	(189.5)	(203.6)	(267.2)	(444.4)	(510.0)	(684.3)	(710.0)
Provisions & other Expenses	(108.8)	(86.6)	(138.6)	(252.5)	(304.4)	(250.3)	(272.7)	(364.9)	(194.3)	(250.4)
Net Profit Before Tax (NPBT)	409.3	428.6	514.7	451.1	422.8	493.8	555.7	610.6	878.7	1,387.9
General Income Tax	(99.1)	(77.7)	(129.7)	(49.3)	(41.9)	(81.2)	(50.0)	(34.0)	(83.8)	(167.7)
Deferred Tax	-	-	-	-	-	-	-	33.5	7.1	12.2
Net profit After Tax (NPAT)	310.2	350.9	385.0	401.8	380.9	412.6	505.7	610.1	802.0	1,232.4
Growth	16%	13%	10%	4%	-5%	8%	23%	21%	31%	54%

Branches & Public Units

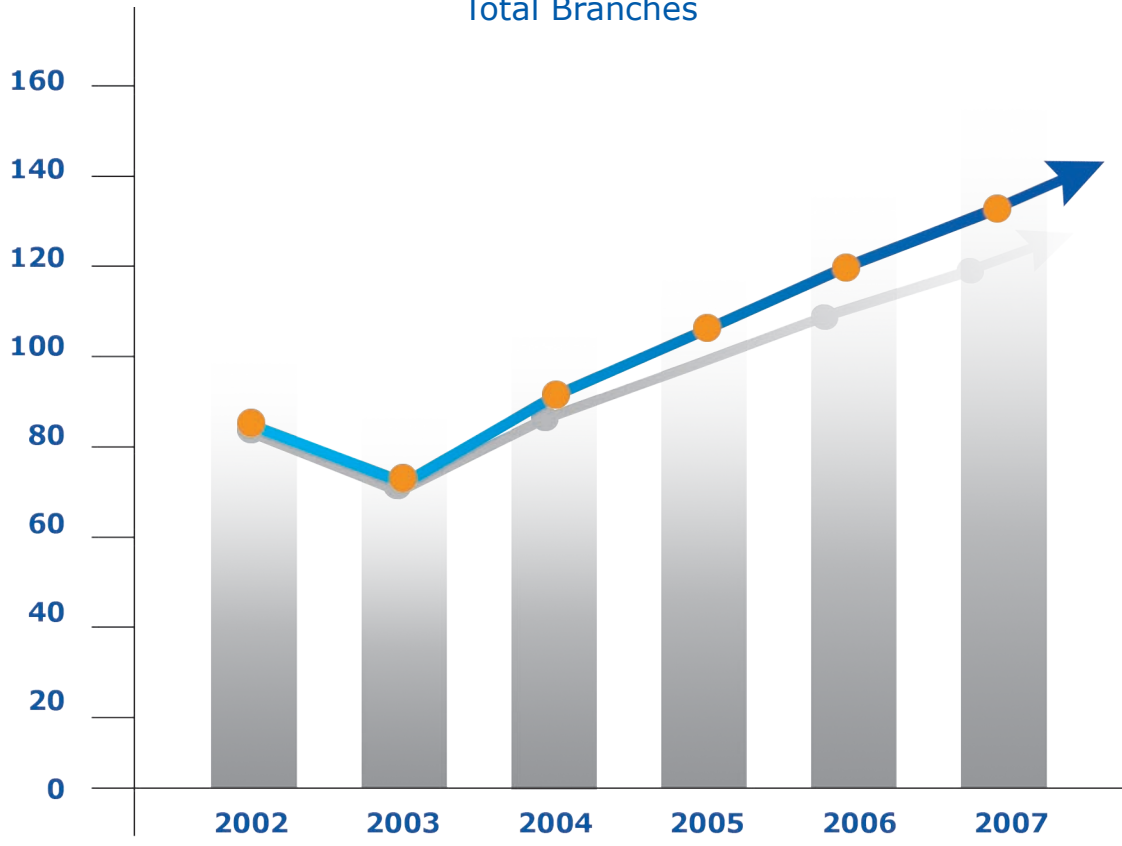


Year	Branches	Units & FX	Total
2007	88	43	131
2006	74	45	119
2005	61	39	100
2004	53	39	92
2003	43	38	81
2002	38	44	82



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Total Branches



Al Haram



Dandy Mall



Mansoura

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