



ANNUAL REPORT 2014

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Arab International Bank

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A Letter from

The Deputy Chairman of the Board of Directors & Managing Director

Esteemed Shareholders,

It is my pleasure to submit the annual report of the Arab International Bank for the year ended as at December 31, 2014, that corresponds with the 40th anniversary of the establishment of the Bank in July 1974. It is worth noting that the increase in the growth of financial results during the year of 2014 to the increasing ability of AIB to encounter challenges in an extremely strong manner was in conformity with expectations made by the bank management in its previous annual report. Today we have the honor to assert to you the soundness and accuracy of our expectations and we firmly declare that we treasure, cherish and feel highly proud of the outstanding and remarkable performance of our Bank in spite of the exceptional circumstances that the country has gone through. Keeping into consideration the swift and consecutive variables on domestic, regional and international economic arena and while aiming at perusing the financial surroundings in which the Bank deals with, we shall spot the light on the most prominent indications stated in the International Monetary Fund (IMF) Reports before studying and analyzing the most significant figures and indications of AIB Financial Statements presented in this report.



First: The Global Economy

On the 7th anniversary of the commencement of the global financial crisis that has proved to be the worst global economic turbulence since the "Great Depression" and despite the fact that the recovery is still progressing, we dare say that the economy is still fragile and extremely sluggish as the global rate of growth is expected to reach 3.5% in the year 2015 even with the severe decline of the oil prices.

As for the developed economies, it is expected that the growth rate in the United States shall reach 3.6% as a result of the momentum of the private domestic demand increase in addition to the actual income increase brought about by the decrease in oil prices and the continuous support given to the markets by the US Federal Reserve within the framework of the quantitative easing (QE) scheme that has lasted for almost five consecutive years.

On the other side of the Atlantic, the Euro Zone Economy is still suffering from a long-term recession status. Despite the latest measures of the quantitative easing (QE) scheme adopted by The European Central Bank (ECB) and the low prices of oil that represent great advantages for the oil consuming European Countries, the insubstantial horizons of investment and the pressure of the debt crisis in the weaker economies (Greece, Portugal, Spain, Italy and the Republic of Ireland) represent challenges which made the expectations of growth in the Euro Zone would not exceed 1% during the next year.

In Japan, the economy moved towards a status of recession in the third quarter of 2014 and the expectations of growth dropped off to approximately 0.5 % only for the coming year.

As for the economy of the emerging and developing countries, it is expected that the rate of growth shall remain stable to a large extent at the level of 4.3 % in 2015 due to the fact that the prediction of growth rate in China decreased to less than 7%. Meanwhile, the horizons of economy in Russia turned out to be extremely weak as the rate of growth is expected to reach - 3% in 2015 as a result of having the economy sharply affected by the severe decline in oil prices and the increase of political tensions.

In the countries exporting the primary commodities, the expected economic recovery became less anticipated due to the impact of reduction in oil prices as well as the prices of other primary commodities, the matter that has an adverse effect on the commercial exchange rates. In many oil-importing countries, it is obvious that the momentum given by the decrease in oil prices is less than the existing one in the developed economies.

Second: The Economy of the Host Country

Based on the report of the International Monetary Fund (IMF) issued in February 2015 within the framework of its overall valuation of the Egyptian economy that was made for the first time after a five-year period stated that "Egypt has gone through four years of political uncertainty and economic stagnancy, and it has chosen to move forward in the path of economic correction and reform the matter which may lead the economy to stability and growth if it insistently continued to move forward on the said path."

The annual growth rates of the actual Gross Domestic Product (GDP) has increased to 3.7% , according to the market prices, during the fourth quarter of the financial year 2013/2014 when compared to the preceding quarter, while the annual inflation rate has increased according to the Consumer Price Index to approximately 11.5% in October 2014 and the unemployment rate reached approximately 13.1% of the total labor force during the third quarter (July-September) 2014.

In addition, the total foreign debt had increased and amounted to approximately US\$ 46.1 billion during the fourth quarter of the financial year 2013/2014 when compared to the preceding quarter. The net direct investment also increased at approx. 4% during the fourth quarter of year 2013/2014 when compared to the preceding quarter.

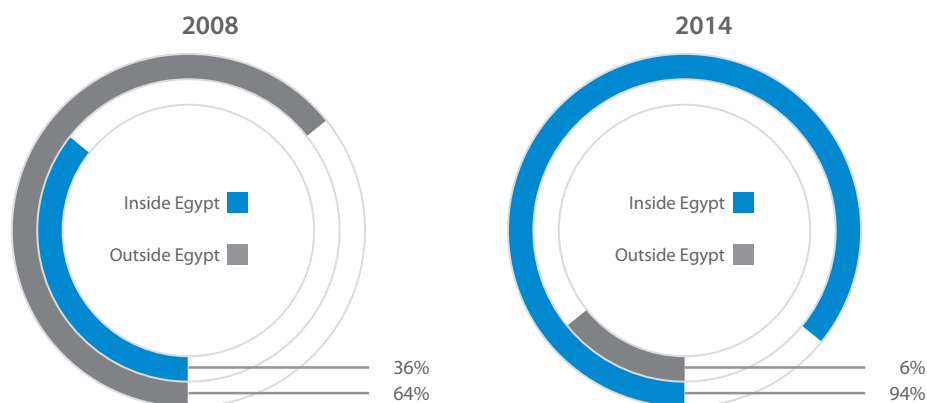
The annual deficit in the trade balance reached EGP 32.8 billion in August 2014, while most indices in the Egyptian Financial Market increased in November 2014 and the value of the Egyptian pound increased against the major foreign currencies during the month of November 2014, in coincidence with the increase in the US dollar exchange rate against the said currencies.

Third: The Bank

The Bank has kept working on implementing the strategic shift that commenced as of the year 2007 where as most of its assets were invested abroad in the form of deposits with foreign Banks and investments in foreign shares and bonds. The AIB assets were redirected towards the inland finance in the form of loans, credit facilities, Egyptian treasury bills and direct investments contributions in projects and national institutions, the matter that evidently affected the nature of income as it currently turned out to be the outcome of the net income interest instead of the revaluation of the international portfolio investment held for trading at market prices. AIB realized net income interest amounting to US\$ 64 million as at 31 December 2014 when compared to US\$ 14.2 million at the end of 2008 as a result of the gradual liquidation of the

foreign portfolio investments where the balance of such portfolios amounted to US\$ 27 million as at 31 December 2014 corresponding to US\$1019 million as at 2008 in addition to adopting the trend of investing the outcome of the liquidation of such investments in the domestic investment where the net loans and advances leaped to US\$ 1347 million as at 31 December 2014 when compared to US\$ 826 million in 2008 and the investment in Egyptian treasury bills starting from the year 2011 to reach the amount of US\$ 660 million as at 31 December 2014 .

The Development of Utilizing The Resources of the AIB to Support the Egyptian Economy



During the financial year ended as at December 31, 2014, the executive management asserted proceeding with achievement of the Bank establishment objectives as follows:

At the end of 2014, the Bank's net distributable profits amounted to US \$ 47.9 million compared to US \$ 30.6 million at the end of 2013 with an increase of US \$ 17.3 million.

The liquidation of the Foreign Portfolio Investment continued until the Bank balance amounted to US \$ 27 million at the end of December 2014 when compared to US \$ 29 million at the end of December 2013 and US \$ 1019 million at the end of December 2008.

The Bank management policy established a strong foundation for the debt provisions over the last years that resulted in having adequacy of provisions formed for covering the possible risks that may arise from debts. At the end of December 2014, the total specific and general provisions for debts amounted to US \$ 108 million compared to US \$ 148 million at the end of December 2013 after writing off US \$ 42 million of debts deducted from the provision during 2014 and represented 7% of the total loans portfolio at the end of December 2014.

The coverage rate of the specific impairment provision for the net non-performing loans portfolio amounted to 86% at the end of 2014 compared to 99% at the end of 2013. In 2014, the non-performing loans portfolio decreased at a rate of 27% when compared to its rate in 2013.

Finally, we are all looking forward to the near future while inspiring to proceed with the track of the Bank's success, God willing. Meanwhile, we shall keep working on strengthening the Bank's progress and maintaining the boom achieved in all sectors of its activities, business transactions and high profitability that were entirely dependent upon your support and the remarkable efforts of the Bank's Board of Directors and its executive management. We are also quite confident and we have strong believe in our ability to achieve and fulfil the desired goals and aspirations during the next phase that shall be attributed by loyalty, dedication to work and strong determination to act jointly while keeping in mind sparing no effort to make our Bank take the lead and hold the highly esteemed position it deserves and aspires to among the various Banks working in Egypt

I would like also to express my deep feelings of gratitude and appreciation to the members of the Bank Board of Directors for the sincere efforts they exerted over the year of 2014 as well as the Bank staff, who represent the main core of the future track of progress of our Bank, for their extraordinary efforts and dedication to work. Thanks should also go to our customers and shareholders for their continued support and trust.

May God Guide Our Path
May God Shower Peace, Mercy and Blessings upon You All

Mohamed Ibrahim Abduljawad
Deputy Chairman and Managing Director

Bank's

Background

The Arab International Bank was established in 1974 by virtue of an international treaty concluded by the governments of the Arab Republic of Egypt, Libya, Sultanate of Oman, the State of Qatar and the United Arab Emirates. The legal domicile of the Bank is located in Cairo, Egypt.

The purpose of this Bank is to carry out all the banking, financial and commercial activities related to the projects of economic development and foreign trade, especially for the interest of the member states, other countries and the Arab countries. The said activities include but not limited to:

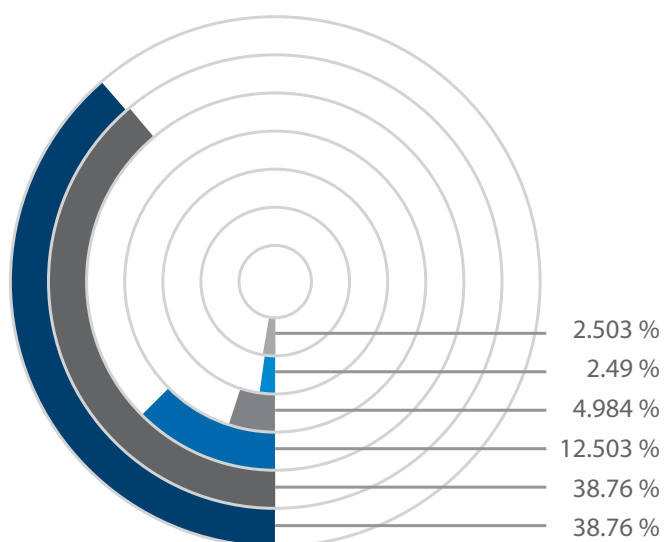
1. Accepting time deposits or call deposits and opening accounts for the governments of the Arab countries, non-Arab countries, the organizations, institutions, banks ,companies and individuals from the Arab countries and non-Arab countries.
2. Financing the foreign trade operations of the Arab countries through providing credit facilities for the importers, granting finance to the exporters and providing insurance or securing the facilities required for such operations.
3. Organizing the participation in the projects and investment programs that are related to the economic development particularly those of common nature among a number of the Arab countries.
4. Providing long and medium term loans for the purposes of development.
5. Establishing or acquiring companies or participating in any manner with the banks, Arab and foreign companies practicing similar activities and assisting the Bank in achieving its purposes in the Arab or foreign countries.

Within the framework of the endeavors exerted by the Bank to expand its activities and the establishment of new branches in addition to providing all the services to its customers in a manner according to which the Bank can carry out transactions in all currencies including the Egyptian pound along with maintaining all the privileges granted by virtue of the Bank Establishment Treaty whether to the shareholders or the bank customers dealing with it, as the Extraordinary General Assembly meeting of the Arab International Bank held on March 22, 2012 approved the amendment of some articles of the Bank Establishment Treaty and its statutes, the following are the most significant amendments of which:

- All transactions undertaken by the Bank shall be conducted in all currencies as specified by the Board of Directors.
- The Bank and its branches are not subject to the laws regulating general organizations or organizations of public utility, public sector companies and joint stock companies in Member States where the Bank or its branches operate.
- In a manner that is not in conflict with the abovementioned and with the rest of Bank Establishment Treaty, this Bank is subjected to the supervision of the Central Bank according to the law of Central Bank, the law of Banking and Monetary System in the headquarters hosting country in addition to exercising control by the other central banks over the branches of the Bank of the member states that participated in the Establishment Treaty of the Bank according to the applicable provisions of the laws regulating the banks and credit facilities of the member states .



The Shareholders



	%
Central Bank of Egypt on behalf of Arab Republic of Egypt	38.76
Libyan Foreign Bank on behalf of Libya	38.76
Abu Dhabi Investment Authority	12.503
Qatar Holding Company on behalf of Qatar State	4.984
The Sultanate of Oman	2.49
International Capital Trading Co. (L.L.C)	2.503
Total	100

Members of the Board of Directors

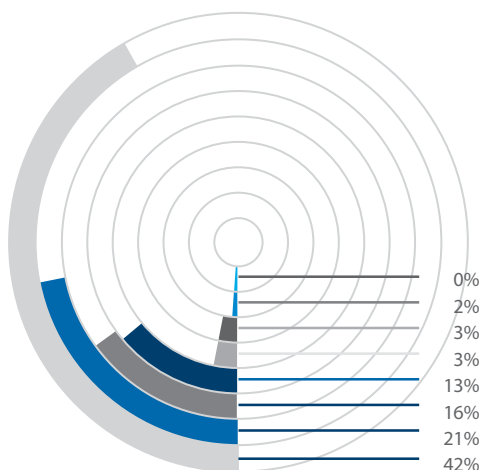
Mr. Gamal Negm	Chairman of the Board of Directors
Mr. Mohamed Ibrahim Abduljawad	Deputy-Chairman of the Board of Directors & Managing Director
Mr. Mohamed Kamal El-Din Barakat	Deputy-Chairman of the Board of Directors & Managing Director (since 26 /10/ 2014)
Mr. Abdel Salam Akil Khoury	Member of the Board of Directors
Mr. Amr Yakhlaf Haggag	Member of the Board of Directors
Mr. El Taher Amhamad Sarkaz	Member of the Board of Directors
Mr. Mohamed Mohamed Ben Youssef	Member of the Board of Directors
Mr. Ali Salem Mohamed El Hebry	Member of the Board of Directors
Mr. Nedal Assar	Member of the Board of Directors
Dr. Rania El Mashat	Member of the Board of Directors
Mr. Ahmed Ali Al Hammady	Member of the Board of Directors
Mr. Tarek El Kholy	Member of the Board of Directors
Mr. Hamad Rashed Al Noeimy	Member of the Board of Directors
Mr. Hamad Shahwan El Dhaheri	Member of the Board of Directors (since 12 /8/ 2014)

Adjustments are made to the Board during the year:

Mr. Hamad Salem Kardouss	Deputy-Chairman of the Board of Directors (until 1 /5/ 2014)
Mr. Essam El Wakil	Managing Director (until 26 /10/ 2014)

The Most Significant Financial Information & Indications

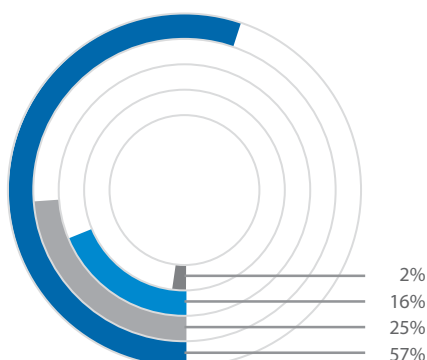
	(US \$ Thousand)		
	2014	2013	2012
Income Statment Items			
Total operating income	92 730	85 466	78 937
Total operating expenses	(52 415)	(56 102)	(49 688)
Profit before provisions	43 056	29 364	29 249
Provisions	(6 462)	(11 029)	(2 200)
Net profit	36 594	18 335	27 049
Financial Position Items			
			(US \$ Million)
Total assets	3 143	3 181	3 126
Placement with banks & Financial Institutions	401	701	549
Net loans and advances	1 347	1 352	1 462
Tresuary bills	661	431	424
Marketable securities	131	91	99
Direct investments	515	508	489
Customers' deposits	1 786	1 760	1 795
Shareholders' equity	792	752	743
Ratio (%) Highlights			
	%	%	%
Assets quality			
Total assets growth rate	(1.18)	1.77	(17.74)
Loans Provision to gross loan	7.39	9.88	8.94
Loans Provision to non-performing loans	124.81	125.89	120.46
Capital Adequacy			
Total equity growth rate	5.36	1.25	4.11
Total equity to total assets	25.2	23.64	23.76
Liquidity			
Net loans to total deposits	58.57	57.27	62.85
Net loans to total customers' deposits	75.43	76.84	81.48
Total Customers' deposits to total deposits	77.89	74.52	77.13
Liquid assets to total assets ratio	33.78	35.60	31.15
Profitability			
Operating Income on average assets	2.89	2.70	2.26
Return to average equity	4.74	2.45	3.72
Return to paid in capital	8.13	4.07	6.01



(US \$ Thousand)

Assets Breakdown

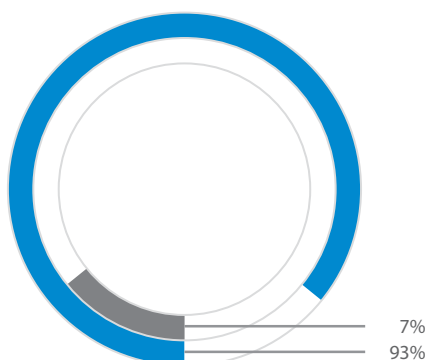
13%	Cash at Banks	401.306
21%	Treasury Bills	660.558
2%	Available for sale Investments	50.364
0%	Trading Investments	0
42%	Loans & Advances	1.347.070
3%	Held to maturity investments	106.491
16%	Investments in subsidiaries & associates	489.141
3%	Others	88.333
		3.143.263



(US \$ Thousand)

Resources Breakdown

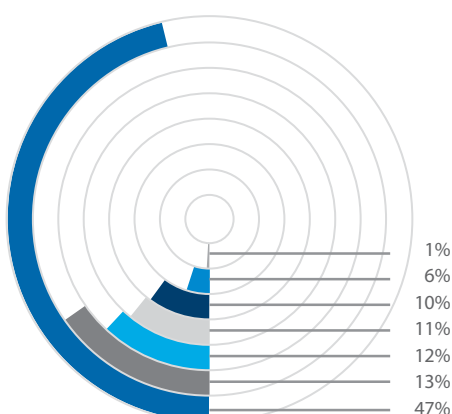
57%	Customers deposits	1.785.901
16%	Banks Deposits	507.081
25%	Shareholders equity	792.099
2%	Others	58.182
		3.143.263



(US \$ Thousand)

Net Loans & Advances Portfolio by type

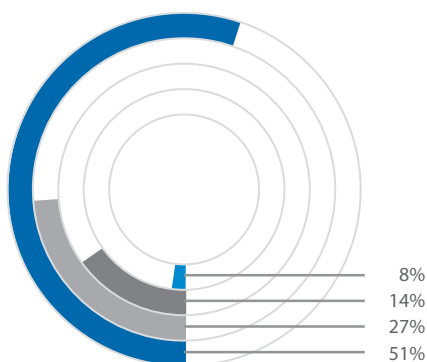
93%	Corporate Finance	1.247.463
7%	Commercial Lending & others	99.607
		1.347.070



(US \$ Thousand)

Distribution Of Gross Loans According to Sectors

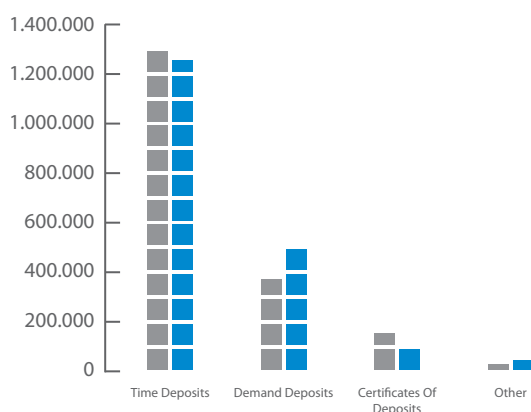
10%	Financial	138.931
47%	Industrial	691.573
6%	Commercial	87.500
12%	Tourism	171.812
11%	Electricity	163.476
1%	Construction	11.630
13%	Others	189.639
		1.454.561



(US \$ Thousand)

Direct Investment According to Sector

51%	Financial Institutions	250.242
8%	Tourism Projects	38.385
27%	Commercials & Industrial Projects	131.151
14%	Technology & Education	69.363
		489.141

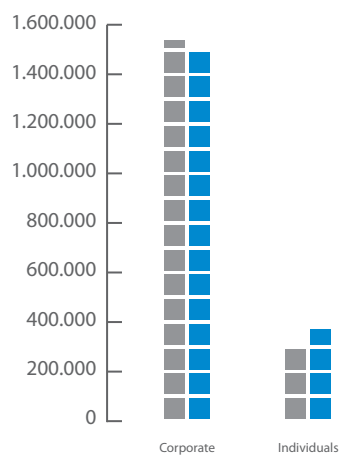


(US \$ Thousand)

Customers Deposits

	31/12/2014	31/12/2013
Time Deposits	1,214,196	1,241,223
Demand Deposits	457,028	380,430
Certificates Of Deposits	95,740	122,384
Other	18,937	16,014
	1,785,901	1,760,051

31 December 2014 ■ 31 December 2013 ■

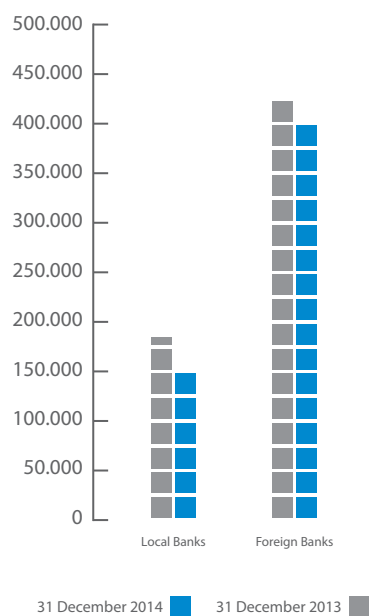


(US \$ Thousand)

Distribution of Customers Deposits by Client Type

	31/12/2014	31/12/2013
Corporate	1,453,946	1,511,220
Individuals	331,955	248,831
	1,785,901	1,760,051

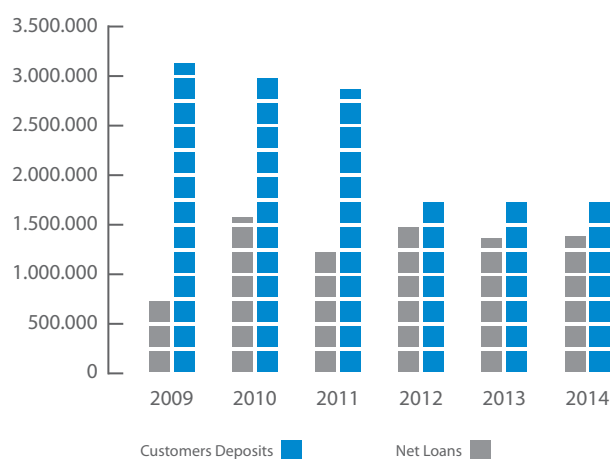
31 December 2014 ■ 31 December 2013 ■



(US \$ Thousand)

Distribution of Interbanks Deposits by region

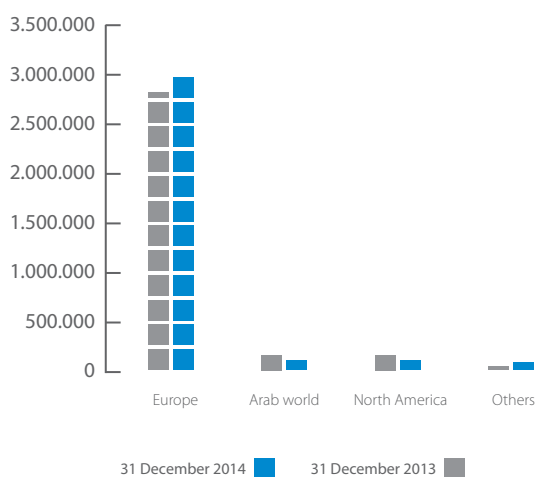
	31/12/2014	31/12/2013
Local Banks	147.954	164.477
Foreign Banks	359.127	437.180
	507.081	601.657



(US \$ Thousand)

Net Loans Versus Customers Deposits

	Customers Deposits	Net Loans
2009	3,167,080	651,645
2010	2,808,089	1,503,608
2011	2,602,956	1,363,418
2012	1,794,840	1,462,405
2013	1,760,051	1,352,450
2014	1,785,901	1,347,070



(US \$ Thousand)

Distribution of Assets by Geographical Region

	31/12/2014	31/12/2013
Europe	2,981,602	2,805,005
Arab world	66,869	188,193
North America	62,643	131,740
Others	32,149	55,964
	3,143,263	3,180,902

Second Board of Directors' Report

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Board Of Directors' Report

On The Activities Of The Bank For The Year Ended as at 31/ 12/ 2014

First: Financial Position

The financial statements of the Bank were prepared in accordance with the International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB).

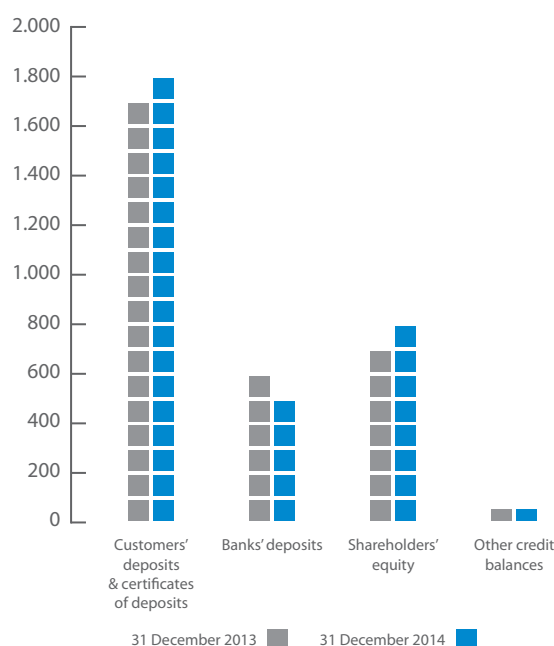
The said financial statements were audited by the external auditors in conformity with the International Standards on Auditing (ISA) and they issued unqualified opinion (a clean opinion report) to the effect that the financial statements present fairly, in all material respects, the financial position of Arab International Bank as of December 31, 2014, its financial performance and its cash flows for the year then ended.

(1) The Resources

The total amount of resources as at December 31, 2014 amounted to US\$ 3 143 million corresponding to US\$ 3 181 million as at December 31, 2013 with a decrease of US\$ 38 million. The following table shows the sources of such resources:

(Per Million US\$)

Resources	31 December 2014		31 December 2013		Change (-)/ + Value
	Value	%	Value	%	
Customers' deposits & certificates of deposits	1 786	57	1 760	55	26
Banks' deposits	507	16	602	19	(95)
Shareholders' equity	792	25	752	24	40
Other credit balances	58	2	67	2	(9)
Total	3 143	100	3 181	100	(38)



(A) Shareholders' Equity

The total shareholders' equity as at December 31, 2014 amounted to US\$ 792 million corresponding to US\$752million, as at December 31, 2013 at an increase amounting to US\$ 40 million .Hereunder is an analysis of the shareholder's equity items as at December 31, 2014 / 2013:

Item	(Per Million US\$)		
	31 December 2014	31 December 2013	Change (-)/ + Value
Paid- in capital	450	450	-
Reserves	176	173	3
Available for sale investments fair value reserve	4	5	(1)
Change in equity of associates	74	69	5
Retained earnings	52	37	15
Net profit of the year	36	18	18
Total	792	752	40

(A/1) Available For Sale Investments fair value Reserve

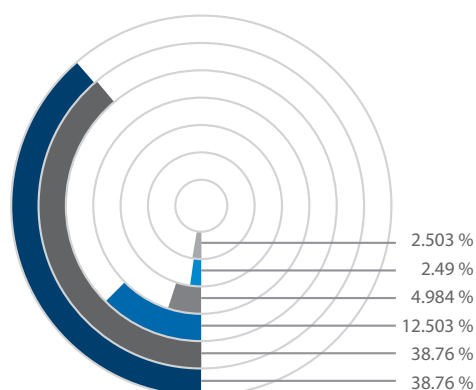
Available for sale investments revaluation differences amounting to U.S.\$ 3 593 thousand are represented in the profits gained from revaluation of outstanding available for sale investments as at December 31,2014.

(A/2) Capital

The Ordinary General Assembly meeting of the Bank was held on May 14, 2009 and approved increasing the capital from US\$ 300 million to US\$ 600 million throughthe issuance of 15 thousand ordinary shares, the value of each is US\$ 20 thousand and they were entirely subscribed in. On November 3rd, 2009, the amount of US\$ 150 million of the said increase was called up and paid on November 23rd, 2009 thus, the paid in capital became US\$ 450 million.

The issued & subscribed share capital is as follows:

	No. of shares	Value of issued shares (per thousand US\$)	%
Arab Republic of Egypt	11 628	232 560	38.76
State Of Libya	11 628	232 560	38.76
Abu Dhabi Investment Authority	3 751	75 020	12.503
State of Qatar	1 495	29 900	4.984
Sultanate of Oman	747	14 940	2.49
International Capital Trading Company	751	15 020	2.503
Total	30 000	600 000	100



The Bank maintained a strong ratio of capital adequacy as at December 31, 2014 amounted to 14.13% while the minimum limit of the requirements of the Central Bank of Egypt is 10% and the minimum limit of the requirements of Basel Accords is 8%.

(B) Deposits

(B/1) Customers' Deposits & Certificates of Deposits

The customers' deposits & certificates of deposits as at December 31, 2014 amounted to US\$ 1 786 million corresponding to US\$ 1 760 million as at December 31, 2013 with an increase of US\$ 26 million at a rate of increase of 1.4% as the increase in financial organizations and institutions deposits reached 26% while the increase in the retail deposits reached the rate of 1% and the decrease in the certificates of deposits reached 22%.

The interest paid in return for customers' deposits as at 31 December 2014 amounted to US\$11.6 million corresponding to US\$ 8.3 million as at 31 December 2013 at an average interest rate that reached 0.66% during the current financial year while corresponding to 0.48% during the comparative year.

(B/2) Placements from Banks

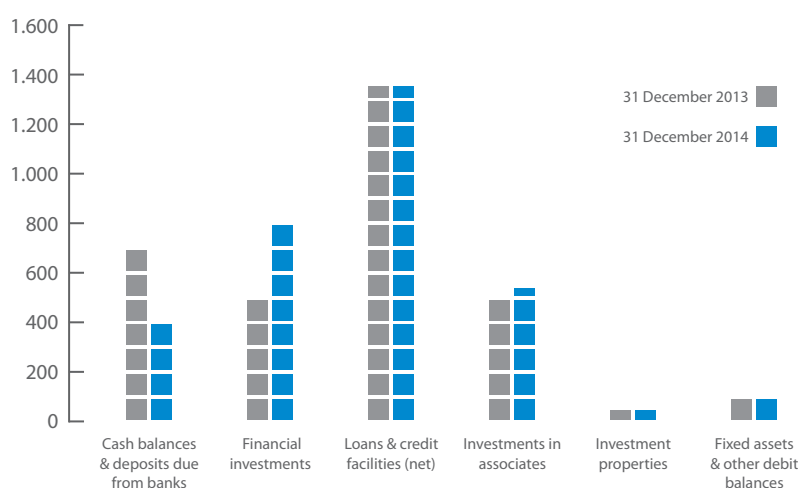
The Placements from Banks as at December 31, 2014 amounted to US\$ 507 million corresponding to US\$ 602 million as at December 31, 2013 with a decrease amounting to US\$ 95 million at a rate of decrease of 16 % when compared to last year.

The interest paid on Placements from Banks as at December 31, 2014 amounted to US\$ 7.1 million at an average interest rate amounted to 1.22 % corresponding to US\$ 8.4 million as at December 31, 2013 at an average interest rate of 1.45 %.

(2) Utilizations

The total utilizations as at December 31, 2014 amounted to US\$ 3 143 million corresponding to US\$ 3 181 million as at December 31, 2013 at a decrease amounting to US\$ 38 million. Such utilizations were distributed as follows:

Utilizations	31 December 2014		31 December 2013		Change(-)/ + Value
	Value	%	Value	%	
Cash balances & deposits due from banks	401	13	701	22	(300)
Financial investments	792	25	522	16	270
Loans & credit facilities (net)	1 347	43	1 352	43	(5)
Investments in associates	515	16	508	16	7
Investment properties	17	1	22	1	(5)
Fixed assets & other debit balances	71	2	76	2	(5)
Total	3 143	100	3 181	100	(38)



(A) Cash Balances & Deposits Due From Banks

Cash Balances & Deposits Due From Banks as at December 31, 2014 amounted to US\$ 401 million corresponding to US\$ 701 million as at December 31, 2013 with a decrease of US\$ 300 million at a decrease rate of 43% (The said decrease was used in financing the increase of the financial investments as indicated below). The percentage of the said balances as at December 31, 2014 amounted to 22% of the volume of customers' deposits corresponding to 39.8% as at December 31, 2013.

(B) Financial Investments

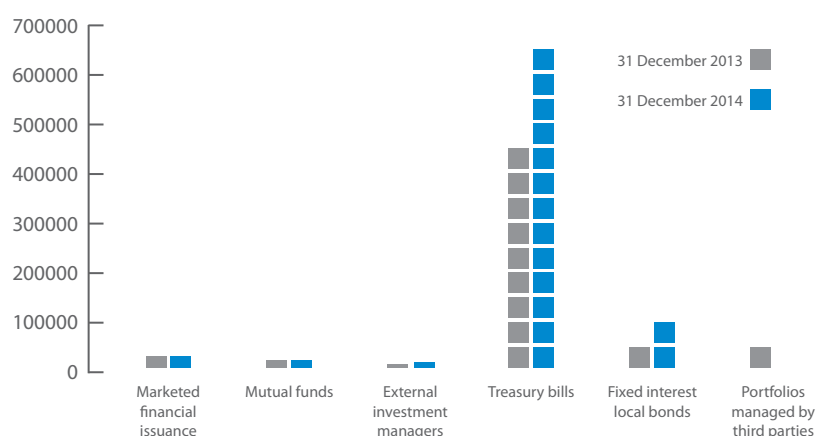
The balances of financial investments available for sale held to maturity and held for trading in addition to treasury bills as at December 31, 2014 amounted to US\$ 792 million corresponding to US\$ 522 million as at December 31, 2013 with an increase of US\$ 270 million. The value of such investments represents 25% of the total assets as at December 31, 2014 corresponding to 16% as at December 31, 2013.

The following represents the components of the said investments as at December 31, 2014/ 2013:

(Per Thousand US\$)			
Description	31 December 2014	31 December 2013	Change(-)/ + Value
Available for sale investments :			
Marketed financial issuance	15 233	13 787	1 446
Mutual funds	8 389	7 808	581
External investment managers	1 227	1 844	(617)
* Total investments available for sale (1)	24 849	23 439	1 410
Treasury bills	660 558	431 321	229 237
Total treasury bills(2)	660 558	431 321	229 237
Investments held to maturity:			
Fixed interest local bonds	106 491	31 577	74 914
Total Investments held to maturity(3)	106 491	31 577	74 914
Investments held for trading :			
Portfolios managed by third parties	-	35 948	(35 948)
Total Investments held for trading(4)	-	35 948	(35 948)
* Total financial investments (1)+(2)+(3)+(4)	791 898	522 285	269 613

*The increase is represented in the increase of treasury bills amounting U.S.\$ 229 million and the increase of financial investments held to maturity with the amount of US\$ 75 million against the liquidation of the portfolios held for trading with an amount of US\$ 36 million.

The investments held for trading are valued at their fair value and the valuation differences are directly recorded in the income statement. In addition, the investments available for sale are valued at their fair value and the differences of valuations are recorded in equity under the item of differences of valuations of investments available for sale.



(C) Loans & Credit Facilities (Net):

The net loans and advances portfolio after deducting the specified and general impairment provisions amounted to US\$ 1 347 million as at December 31, 2014 corresponding to US\$ 1 352 million as at December 31, 2013 with a decrease amounting to US\$ 5 million.

Here under is a statement of the loans and credit facilities components as at December 31, 2014/ 2013:

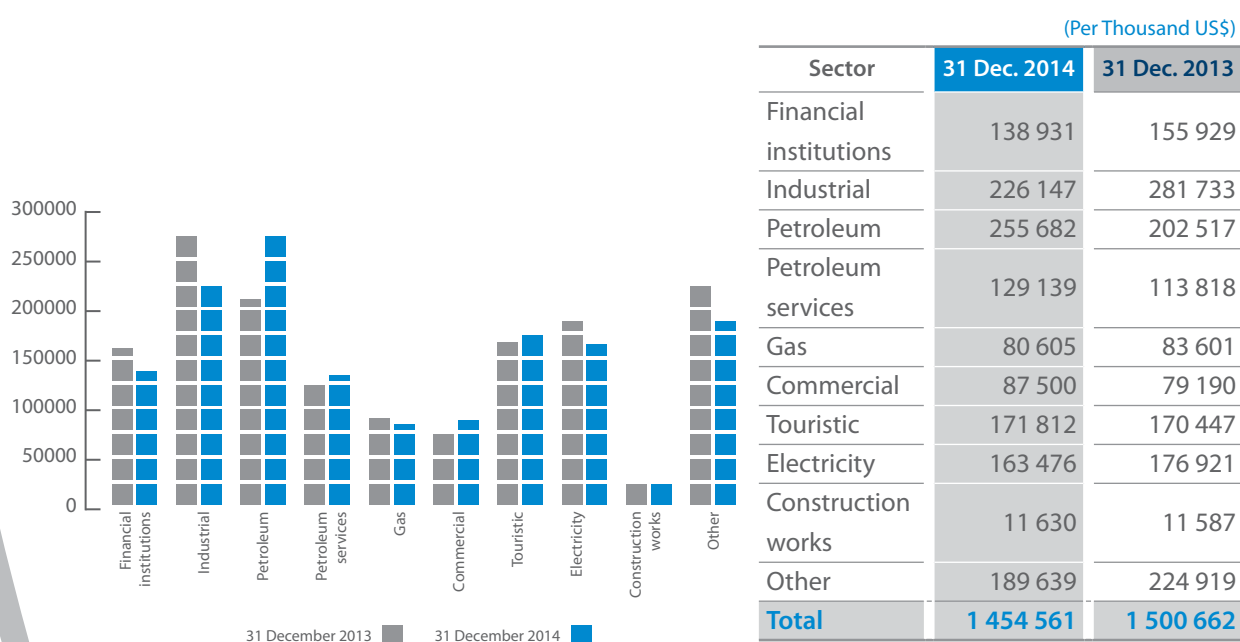
(Per Thousand US\$)

Description	31 December 2014	31 December 2013	Change(-)/ + Value
Loans granted to banks	50 000	50 000	-
Loans to corporates & financial institutions	1 390 001	1 432 478	(42 477)
Secured loans	75 182	107 525	(32 343)
Total portfolio amount	1 515 183	1 590 003	(74 820)
Less:			
Suspense interests & commissions	(60 622)	(89 341)	28 719
Specified impairment provision	(74 312)	(116 934)	42 622
General impairment provision	(33 179)	(31 278)	(1 901)
Total provisions, suspense interests & commissions	(168 113)	(237 553)	69 440
Net	1 347 070	1 352 450	(5 380)

On December 31, 2014, the non-performing loans portfolio amounted to US \$ 86 million corresponding to US \$ 118 million during the previous year. The coverage ratio of the general and specified loans and advances impairment provisions to the total credit portfolio (excluding the suspense interests) was 7.4% on December 31, 2014 corresponding to 9.9% on December 31, 2013 while the coverage ratio of the specified impairment provision to the net defaulting loans portfolio was 86 % on December 31, 2014 corresponding to 99 % on December 31, 2013.

The total amount of the interest income pertaining to the credit portfolio amounted to US \$ 59 million on December 31, 2014 corresponding to US \$ 54 million on December 31, 2013 at an average interest rate of 4.2% on December 31, 2014 corresponding to 3.90% as at December 31, 2013.

The classification of the loans and advances according to the sectors (in net value after suspense interests and commissions) is as follows:



(D) Investments in Associates (Direct Participations):

The volume of the direct participations in the capital of the companies and institutions on December 31, 2014 reached the amount of US \$ 515 million corresponding to US \$ 508 million on December 31, 2013 with an increase of US \$ 7 million. The following is an analytical statement of such participations:

(Per Thousand US\$)					
Description	Business Activity	Participation Percentage	31 Dec. 2014	31 Dec. 2013	Change(-)/ + Value
Investments in Associates					
Participation Percentage 20% and More					
* World Trade Center Company (WTC)	Housing – Administrative	50	131 151	132 098	(947)
* Société Arabe Internationale de Banque (SAIB)	Banking	46	126 214	116 290	9 924
Suez Canal Bank	Banking	41.5	116 138	116 138	-
* Suez Canal Company For Technology	Educational Institutions	24	69 363	69 061	302
* International Company for Tourist Investments (ICTI)	Housing – Hotels	20	38 385	37 761	624
International Finance Arab Company, Luxembourg (CAFI)	Financial Institutions	89	7 890	7 641	249
Total Investments in Associates (A)			489 141	478 989	10 152
Financial Investments Available For Sale					
Participation Percentage Less Than 20%					
Equity Instruments Recorded at Cost					
Arab International Company for Hotels and Tourism (AICHT)	Housing – Hotels	17.6	16 400	16 400	-
Societies D' Etudes Et Dev. Tunisia	Housing - Tourism	10	1 583	1 583	-
Arab Financial Services – Bahrain (AFS CO)	Financial Institutions	2.3	704	704	-
** Egyptian Banks Takaful Insurance Co. (for property and liability insurance)	Financial Institutions	9.5	1 769	1 632	137
The Egyptian Credit Bureau “I-Score”	Financial Institutions	3.6	288	288	-
International Co. for Multi Investments	Financial Institutions	10.8	1 532	1 532	-
Arab Trade Financing Program	Financial Institutions	0.11	860	860	-
Miscellaneous			31	21	10
Equity Instruments Recorded at Fair Value					
VISA International	Financial Institutions	-	-	5 367	(5 367)
MasterCard Worldwide	Financial Institutions	-	2 348	-	2 348
Arab Banking Corporation ABC	Banking	0.02	-	284	(284)
Total Financial Investments Available for Sale (B)			25 515	28 671	(3 156)
Total Direct Participations (A) + (B)			514 656	507 660	6 996

* The increase and decrease in the participations balance are due to decreasing the participation balance by

the amount of the cash dividends distributed by these companies in regard to their realized profits for the financial year ended as at December 31, 2013 in addition to increasing or decreasing the participation balance by the amount of the bank's stake, labeled as an increase or decrease in the equity of the said companies for the financial year ended as at December 31, 2014.

** Investments to be reclassified under the item of financial investments available for sale when preparing the financial statements of the Bank at the end of the financial year.

The net value of the Bank's share in the profits of the associate companies resulting from applying the equity method amounted to US \$ 16.4 million as at December 31, 2014 corresponding to US \$ 13.9 million as at December 31, 2013.

(E) Investment Properties

The balance of the investment properties as at December 31, 2014 reached the amount of US \$ 17.5 million corresponding to US\$ 22.1 million as at 31 December 2013 where the fair value of the said investment was amended based on the value of the impairment calculated as at 31 December 2014 with the amount of US\$ 4.6 million.

(F) Fixed Assets

The net value of the fixed assets after depreciation as at December 31, 2014 reached the amount of US \$39.4 million corresponding to US \$ 40.2 million as at December 31, 2013 with a decrease amounted to US \$ 0.8 million.

(G) Debit Balances & Accrued Interests

The debit balances & accrued interests amounted to US\$ 31.4 million as at December 31, 2014 corresponding to US\$ 35.2 million as at December 31, 2013 with a decrease of US\$ 3.8 million where the said balances included the assets ownership reverted to the bank with a net amount of US\$ 10.3 million as at December 31, 2014 corresponding to US\$ 13.3 million as at December 31, 2013 where the fair value was amended based on the value of the impairment calculated as at 31 December 2014 with the amount of US\$ 3 million.

(H) Contingent Liabilities and Other Off Balance Sheet Items

The total amount of commitments and contingent liabilities as at December 31, 2014 reached US \$ 353 million corresponding to US \$ 340 million as at December 31, 2013, whose statement is as follows:

(Per Thousand US\$)			
Item	31 December 2014	31 December 2013	Change(-)/ + Value
Documentary Credit & Letters of Guarantee			
Documentary Credit	164 953	131 667	33 286
Letters of Guarantee	151 637	157 229	(5 592)
Total (A)	316 590	288 896	27 694
Commitments			
Loans and Advances	36 140	50 871	(14 731)
Total (B)	36 140	50 871	(14 731)
Total (A + B)	352 730	339 767	12 963

The total contingent liabilities provision that represents an obligation on the part of the Bank as at December 31, 2014 amounted to US\$ 4.8 million corresponding to US\$ 5.9 million as at December 31, 2013.

The net revenues gained from fees and commissions as at December 31, 2014 amounted to US\$ 13 million corresponding to US\$12.6 million as at December 31, 2013.

Second: The Income Statement

The Bank achieved net profits this year after deducting BOD allowances and remunerations and employees share in profits that amounted to US\$ 36.6 million as at December 31, 2014 corresponding to US\$ 18.3 million last year.

The following is a detailed statement of the items of revenues and expenses as at 31 December 2014 / 2013:

(Per Thousand US\$)

Description	31 December 2014	31 December 2013
Operating Income	111 485	102 176
Operating expenses	(18 755)	(16 712)
Net operating Income	92 730	85 464
Administrative & general expenses	(41 115)	(43 881)
Net profits before provisions	51 615	41 583
Provisions no longer required	2 741	-
Provisions increase	(6 462)	(11 029)
BOD& employees' share in profits	(11 300)	(12 219)
Net profit	36 594	18 335

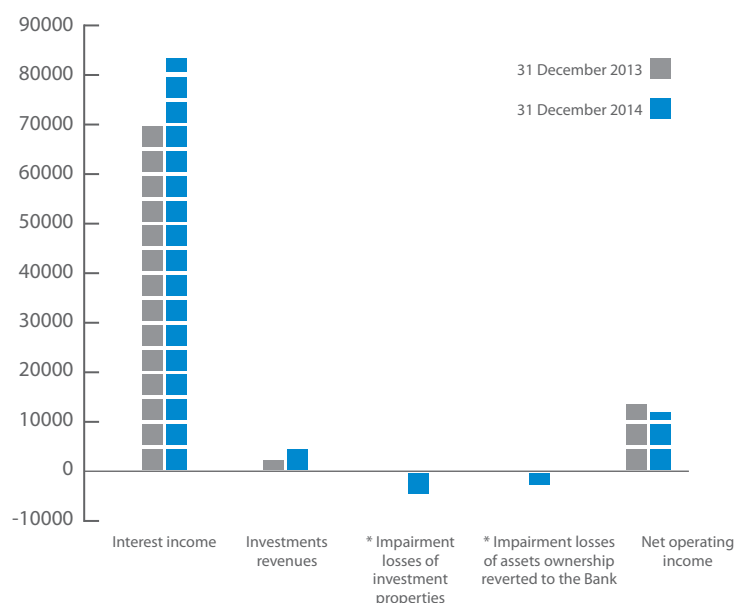
1. Revenues

The Bank achieved total operating income as at December 31, 2014 that amounted to US\$ 111.5 million corresponding to US\$ 102 million as at December 31, 2013 according to the following:

(Per Thousand US\$)

Description	31 December 2014		31 December 2013	
	Value	%	Value	%
Interest income	82 697	74.2	70 862	69.2
Investments revenues	22 040	19.7	16 338	16.2
* Impairment losses of investment properties	(4 576)	(4.1)	-	-
* Impairment losses of assets ownership reverted to the Bank.	(3 030)	(2.7)	-	-
Net operating income	14 354	12.9	14 976	14.6
Total	111 485	100	102 176	100

* Impairment losses of investment properties and Impairment losses of assets ownership reverted to the Bank are represented in the reduction of fair value of the said assets as at December 31, 2014.



(A) Interest Income

The interest income represents 74.2% of the total operating revenues as at December 31, 2014 compared to 69.2% as at December 31, 2013.

The following is a detailed statement of the collected interests as at December 31, 2014/2013:

(Per Thousand US\$)

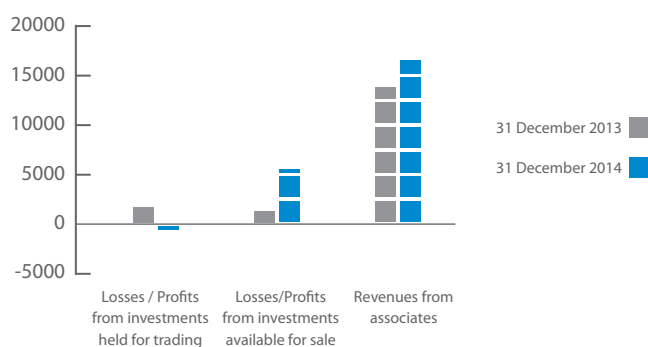
Interest income	31 December 2014		31 December 2013	
	Value	%	Value	%
From cash balances and deposits at banks	1 583	1.9	1 329	1.9
From loans and advances	59 065	71.4	53 959	76.1
From investments portfolio	22 049	26.7	15 574	22
Total	82 697	100	70 862	100

(B) Investment Revenues

The investment revenues amounted to US\$ 22 million as at December 31, 2014 corresponding to US\$ 16 million as at December 31, 2013 as follows:

(Per Thousand US\$)

Description	31 December 2014		31 December 2013	
	Value	%	Value	%
Losses / Profits from investments held for trading	(17)	(0.1)	1 501	9
Losses/Profits from investments available for sale	5 681	25.8	957	6
Revenues from associates	16 376	74.3	13 880	85
Total	22 040	100	16 338	100



(C) Impairment Losses

The impairment losses provision of investment properties and Impairment losses of assets ownership reverted to the Bank was calculated with the amount of US\$ 7.6 million at their fair value as at December 31, 2014 as follows:

(Per Thousand US\$)

	31 December 2014	31 December 2013	Change(-)/ + Value
Impairment losses of investment properties	4 576	-	4 576
Impairment losses of assets ownership reverted to the Bank	3 030	-	3 030
Net	7 606	-	7 606

(D) Other Operating Income (net)

The other operating income (net) amounted to US\$ 14.3 million as at December 31, 2014 compared to US\$ 14.9 million as at December 31, 2013 with an approximate decrease of US\$ 0.6 million which is mainly concentrated in the decrease of the collected commissions related to the credit portfolio granted to the corporates and financial institutions and the losses resulting from foreign currencies revaluations differences.

The following is a detailed statement of the revenues items:

(Per Thousand US\$)

Operating revenues	31 December 2014		31 December 2013	
	Value	%	Value	%
Fees & commissions revenues (net)	13 020	90.7	12 653	84.5
Revenues from exchange transactions and translation differences	614	4.3	1 449	9.7
Other operating revenues (net)	720	5	874	5.8
Total	14 354	100	14 976	100

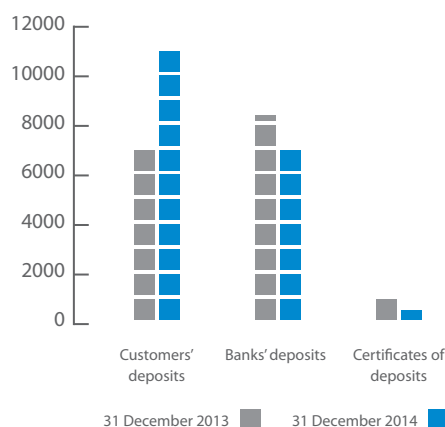
2. Expenses

(A) Interests Expenses

The operating expenses as at December 31, 2014 reached the amount of US \$18.8 million compared to US \$ 16.7 million on December 31, 2013 and the following table presents a detailed description of the paid interests:

(Per Thousand US\$)

The Paid Interests	31 December 2014		31 December 2013	
	Value	%	Value	%
Customers' deposits	10 988	58.6	7 049	42.2
Banks' deposits	7 114	37.9	8 377	50.1
Certificates of deposits	653	3.5	1 286	7.7
Total	18 755	100	16 712	100



(B) Administrative and General Expenses

The administrative and general expenses as at December 31, 2014 reached the amount of US \$ 41.1 million corresponding to US \$ 43.9 million as at December 31, 2013 with a decrease of US\$2.8 million that is represented in the decrease in the item of salaries and wages with the amount of US\$ 5.1 million as a result of the resignation of some employees pursuant to the optional early retirement plan while taking into consideration an increase in the other administrative expenses with the amount of US\$ 2.3 million (Donations to the national economy that amounted to US\$ 540 thousand, Aswan Heart Centre that amounted to EGP 850 thousand and Long Live Egypt Fund that amounted to EGP10 million). The syndicated loan granted to the Employees' Fund was amortized with the amount of US\$ 4.9 million that represented in the surpluses resulting from implementing the optional early retirement plan during the year 2014, accordingly, the Employees' Fund was increased with the amount of US\$ 4.8 million in 2013, however, no increase was granted to Employees' Fund this year. The following is an analytical statement of the administrative and general expenses:

(Per Thousand US\$)

Description	31 December 2014		31 December 2013	
	Value	%	Value	%
Salaries, wages and their equivalents	26 416	64.3	31 554	72
Employees' Fund increase	-	-	4 838	11
Amortization of the syndicated loan granted to the Employees' Fund	4 965	12.1	-	-
Other administrative expenses	9 734	23.6	7 489	17
Total	41 115	100	43 881	100

(C) Provisions

The provision of loans and advances was increased during the year 2014 with the amount of US\$ 2.4 million and the contingent claims provision was increased with the amount of US\$ 3.9 million (Employees' Fund) while having provisions no longer required with the amount of US\$ 2.7 million as at December 31, 2014. The contingent claims provision was increased as at 31 December 2013 with the amount of one million US Dollars, however, no increase subsidy was granted to the provision this year according to the following:

(Per Thousand US\$)

Description	31 December 2014	31 December 2013	Change(-)/ + Value
Loans provision increase	(2 481)	(4 293)	1 812
Contingent claims provision increase	(3 981)	(5 685)	1 704
Contingent liabilities provision increase	-	(1 051)	1 051
Total increase	(6 462)	(11 029)	-
Provisions no longer required	2 741	-	2 741
Total	(3 721)	(11 029)	7 308



Third Governance

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The Arab International Bank is committed to apply the corporate governance principles issued by Basel Committee on Banking Supervision in addition to the rules and instructions issued by the Central Bank of Egypt that are applied to the Banks working in Egypt and in the light of the establishment treaty of the Bank and its articles of association .

Basic Principles of Governance Applied by The Arab International Bank

- Securing shareholders rights and treating them on equal footing basis.
- Respecting and protecting the interests and rights of the other related parties.
- Determining the duties and responsibilities of the Board of Directors and the executive administrative levels.
- Ensuring the importance of the internal and external audit in addition to the audit committees.
- Complying with the disclosure and transparency standards in addition to the proper professional practices.

The Board Of Directors

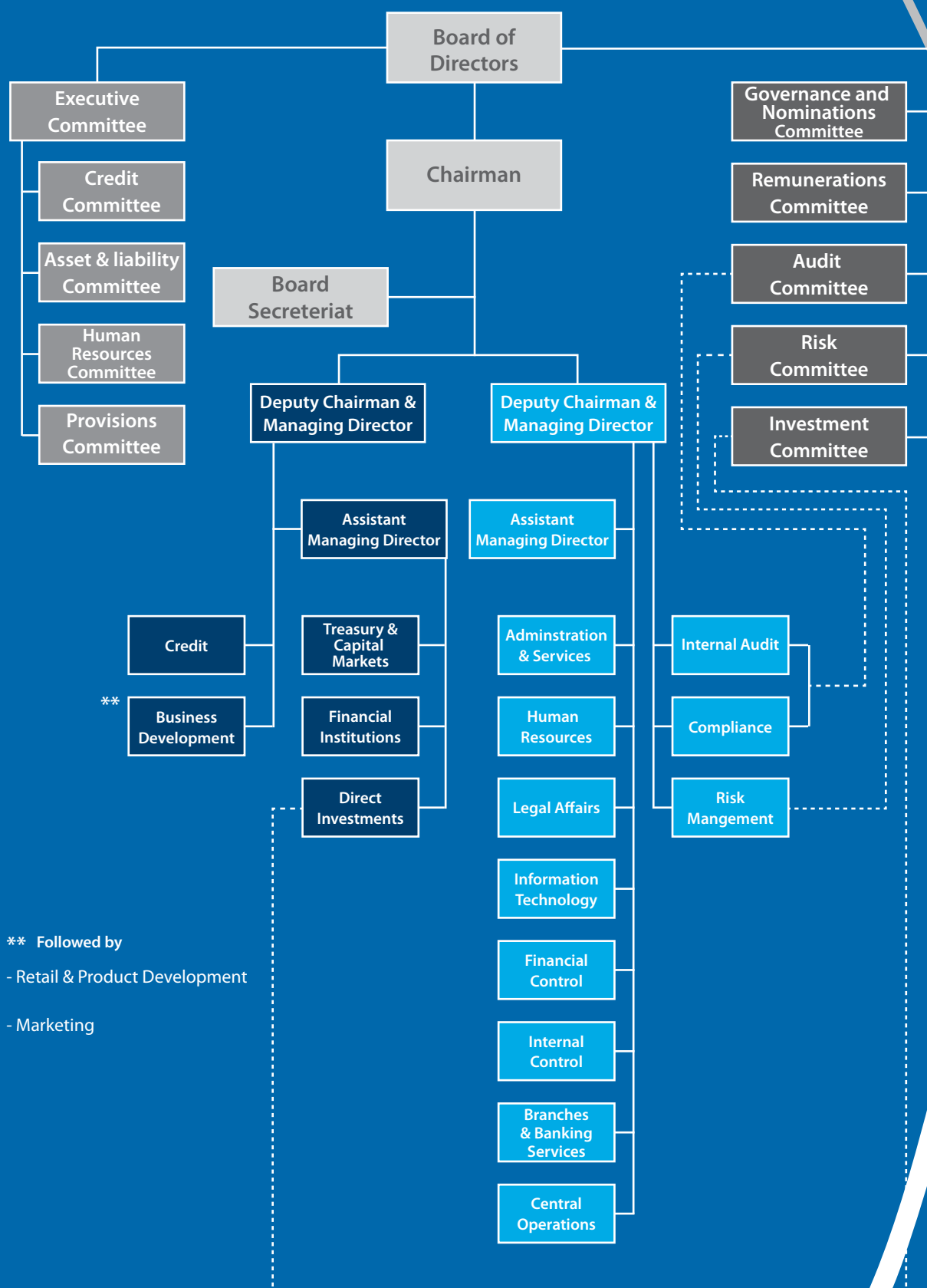
The Board of Directors shall have the most extensive authority to manage the Bank except for the matters that are explicitly stated as authorities and powers that can only be exercised by the General Assembly. The Board of Directors shall convene at the head office of the Bank at least once every three months.

The Board of Directors Main Responsibilities:

- Ensuring that the interests of the shareholders, depositors and other related parties of interest are fulfilled.
- Laying out the strategic objectives of the Bank.
- Making sure that the Bank is carefully and properly managed within the framework of laws, regulations and the Bank's approved policies .
- Making sure that the internal control systems are competent and efficient.

Organizational Structure Chart

From 4/12/2014



Board Committees

AS OF 4/12/2014

Governance and Nominations Committee:

Mr. Gamal Negm	Chairman of the Board of Directors	Chairman
Mr. Mohamed Mohamed Ben Youssef	Member of the Board of Directors	Member
Mr. Ali Salem El Habry	Member of the Board of Directors	Member
Mr. Abdel Salam Akil Khoury	Member of the Board of Directors	Member

The Risk Committee:

Mr. Tarek El Kholy	Member of the Board of Directors	Chairman
Mr. Mohamed Kamal El Din Brakat	Deputy Chairman of the Board of Directors & Managing Director	Member
Mr. El Taher Amhamad Sarkaz	Member of the Board of Directors	Member
Dr. Rania El Mashat	Member of the Board of Directors	Member
Mr. Hamad Rashed Al Noeimy	Member of the Board of Directors	Member

Audit Committee:

Mr. Nidal Assar	Member of the Board of Directors	Chairman
Mr. Abdel Salam Akil Khoury	Member of the Board of Directors	Member
Mr. Amr Yakhlef El Haggag	Member of the Board of Directors	Member

The Remunerations Committee:

Mr. Mohamed Mohamed Ben Yossef	Member of the Board of Directors	Chairman
Mr. Ali Salem El Habry	Member of the Board of Directors	Member
Mr. Ahmed Ali Al Hammady	Member of the Board of Directors	Member
Mr. Nidal Assar	Member of the Board of Directors	Member

The Investments Committee:

Mr. Mohamed Ibrahim Abduljawad	Deputy Chairman of the Board of Directors & Managing Director	Chairman
Mr. Mohamed Kamal El Din Brakat	Deputy Chairman of the Board of Directors & Managing Director	Member
Mr. Abdel Salam Akil Khoury	Member of the Board of Directors	Member
Mr. Nidal Assar	Member of the Board of Directors	Member
Dr. Rania El Mashat	Member of the Board of Directors	Member
Mr. Mohamed Mohamed Ben Youssef	Member of the Board of Directors	Member

Board Committees

AS OF 4/12/2014

The Executive Committee:

Mr. Mohamed Ibrahim Abduljawad

Deputy Chairman of the Board of Directors & Managing Director

Mr. Mohamed Kamal El Din Brakat

Deputy Chairman of the Board of Directors & Managing Director

Mr. Assistant Managing Director

Mrs. General manager - Administrative Affairs

Mr. General manager - Credit

Mr. General manager - Branches & Banking Services

Mr. General manager - Risk Management

(As an Observer)

Mr. Supervisor - Legal Affairs Administration

(As an Observer)

Internal Control systems

First: Risk Management

The Board of Directors of the Bank applies comprehensive governance controls to implement its policies toward the management of risks that the Bank may be exposed there to through the practice of its various activities and lays out an effective vision to manage the banking risks within a framework of an atmosphere attributed by standards of high integrity.

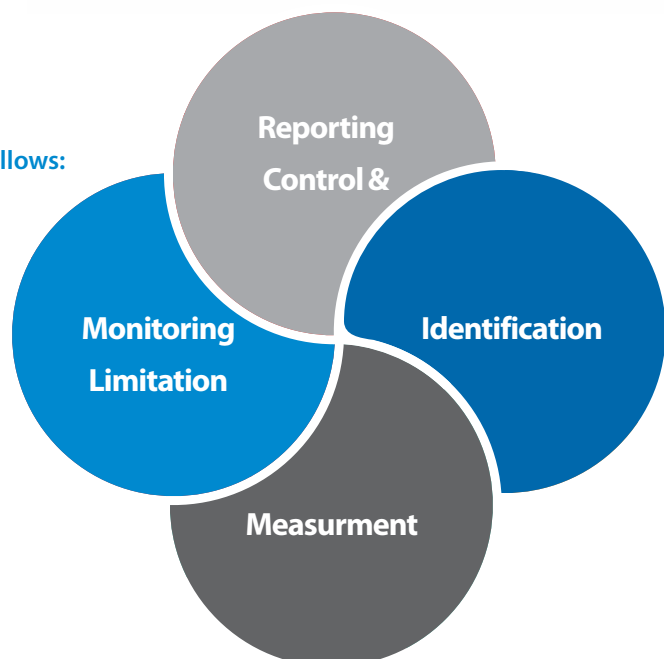
The policies and risk management systems were laid out in order to assure that the quality of risks the Bank is exposed thereto, does not conflict with its strategic vision, while taking into consideration that the evaluation of the bank's activities is based on balancing between the income and the risks related to achieving it, hence the priority of utilizing the resources and investments of the Bank is determined according to the impact of the risks relevant thereto.

The general framework of risk management is based on awareness of all the employees of the importance of implementing all their responsibilities efficiently and reporting any breaches or barriers that hinder the implementation of the bank's policies.



The said framework is based on an organized approach that is comprised of four phases as follows:

1. Risk Identification.
2. Risk Measurement.
3. Risk Monitoring Limitation.
4. Risk Reporting and Control.



The financial risks that the Bank may be exposed to are as follows:

- Credit Risks
- Operating Risks
- Market Risks



The aforementioned risks are managed as follows:

Credit Risk Management:

The credit risks are the most prominent risks that the Bank may be exposed to, as such risks are represented in the lack of ability of one of the parties to fulfill its commitments and liabilities that fall due to the bank, whether to pay a part thereof or the entire due amounts on the date of maturity.

The loans granted to customers, banks, and current account balances, deposits placed at other banks, financial investments and commitments on the part of third parties represent the most significant financial assets that expose to the risks of credit.

In order to secure the funds of the depositors and maintain the strong financial performance of the Bank along with realizing good profitability rates, the Bank management is concerned with providing effective control to be exercised over the credit risks through the sector of risk management that is completely independent from the business activity units and adopting a prudent, vigilant and conservative policy in addition to implementing a series of procedures that leads to mitigating the risks of credit as much as possible.

Operating Risk Management:

The operating risks are those resulting from the incommodity or failure of any of the operations, internal procedures, systems, employees or a failure due to external risks including the legal risks. The operating risk management policy has been activated throughout the bank for the purpose of controlling, mitigating the operating risks and implementing the concept of risk by all the administrative levels of the bank in order to improve the control means inside the bank. The Risk Management Department is working side by side with the other control departments such as, General Audit Department, Inspection Department and Control Department to accomplish the ideal implementation of all the activities of the bank. The operating risk department is committed to the standards laid out by "Basel II" Accords and the classification of operating risks that was stated therein and prepares regular reports to be presented to the top management of the Bank in order to determine the extent of exposure to risk and how to encounter it. The Bank is aiming at implementing advanced solution system to identify, measure and assess operating risks in a manner that is in conformity with the requirements of "Basel II" in this regard.

Market Risk Management:

It is the risk of loss resulting from the reverse changes in the market prices and the market risk includes the following:

1. Interest Rate Risk
2. Liquidity Risk
3. Foreign Exchange Risk

Interest Rate Risk:

The interest rate risk is monitored by the Asset and Liability Committee (ALCO).

Financial Assets in Foreign Currencies:

The interest rate is determined based on the floating rate and subsequently the risk of foreign currency interest rate fluctuation and shall mitigate as it goes up and down while taking into consideration hedging the risk of the fixed rates fluctuation through referring to the financial derivatives (interest rate swap). The Bank may also be exposed to the impacts of the fluctuations on the prevailing interest rate level in the market that are represented in the risk of the cash flow of the interest rate, however, the margin of interest may increase as a result of such fluctuations but the profits may decrease in case of having unexpected movements. The Board of Directors of the Bank determines the limits of variation level with respect to re-pricing the interest rate that can be maintained by the Bank and the said procedure is monitored on daily basis by the market risk department of the Bank.

Liquidity Risk:

It is the possibility that the Bank may be exposed to difficulties in satisfying its commitments that are related to accrued liabilities and the said risk may result in a failure in fulfilling the liabilities related to the payments due to the depositors and the fulfillment of lending commitments. The treasury department is responsible for the liquidity management on the short term and providing regular reports on the movement of assets and liabilities in order to determine the requirements of the Bank in regard to liquidity. In addition, the market risk department is competent to monitor the levels of liquidity and implement the approved policy of the liquidity management.

Foreign Exchange Risk:

It is the possibility that the Bank may be exposed to the risk of foreign exchange rate fluctuations that affects the balance sheet and the cash flows. The Board of Directors has laid out limits for the foreign currencies according to the total value of each position of which. Meanwhile, the said limits are immediately monitored by the market risk department of the Bank.



Capital Adequacy Ratio:

The Bank has adopted a conservative policy approach with respect to capital adequacy ratio based on the rule stipulated in Basel (II) Accords since 2008 while taking into account the instructions and interpretations of the Central Bank of Egypt in case there is a desire to implement it in a more conservative manner.



The capital adequacy ratio policy of the Bank aims at achieving the following:

- Making sure of the capability of the bank to compete on the international level through its compliance with the international standards and rules which regulate the banking activities.
- Maintaining the strong financial position of the bank and the safety of the funds of its customers through maintaining secured levels of capital that are in proportion with the risks which its assets are exposed to.

The capital adequacy ratio is calculated according to the following determinants:

First: The Ownership Rule

- (Tier 1) The initial capital: Paid in capital, reserves and retained earnings.
- (Tier 2) Supplementary capital: Provisions, assets revaluation reserves and long term subordinated loans.
- (Tier 3) Short term subordinated loans.

Second: Capital Allocated for Assets Risk

- Capital allocated for credit risk and market risk is calculated based on the standard method.
- Capital allocated for operating risk is calculated based on the main indicator method.

The bank maintained a strong ratio of capital adequacy that amounted to 14.13 % at the end of December 2014 compared to 11.62 % at the end of December 2013 while the minimum limit of the capital adequacy ratio according to the requirements of the Central Bank of Egypt amounted to 10 %.

Second: Compliance

The Bank is considered among the pioneering banks working in Egypt with respect to establishing an independent sector for compliance since 2002 in order to protect the bank from any noncompliance risks. The activity of the Compliance Sector depends on three essential pivots:

- Making sure that the systems, regulations and business mechanisms of the bank are in conformity with the banking standards and policies and with the laws and instructions issued by the supervisory authorities.
- Anti-money laundering.
- Implementing the principles of governance on sound banking grounds.

A developed policy for compliance was endorsed to agree with the accords of Basel Committee on Banking Supervision in addition to the recommendations of the International Financial Action Task Force-FATF, by virtue of which the Head of Compliance was determined along with the appointment of Branch Compliance Officers in all branches of the bank.



The said policy reflects the bank compliance in regard to carrying out an efficient role in anti-money laundering of illicit gains and working on drying up the resources of finance for terrorism in addition to achieving the objectives of the bank according to the following:

- Participating in crime-fighting in general.
- Maintaining the soundness of the bank's operations and transactions in addition to its professional reputation.
- Performing the legal compliance aspect toward the headquarters hosting country as well as implementing the rules, the principles in practice and the binding international controls.

The aforementioned policy is implemented through work procedure manual mainly based on the following:

1. Establishing a data base to count the customers who are restricted to deal with and those whose names are listed in the UN, OFAC and the Central Bank of Egypt in addition to reviewing the outgoing and incoming transfers in this regard.
2. Applying the principle of "identify your customer" to know the identity of all your customers and their banking transactions according to the guidelines of the controls of opening and operating the accounts issued by the Central Bank of Egypt in addition to the international controls and principles in practice.
3. Updating the data of the customers on a regular and ongoing basis.
4. Carrying out a continuous control over all the customers' transactions with the bank.
5. Applying the rules of Enhanced Due Diligence to all the accounts and transactions that are attributed by high risks.
6. Organizing regular training courses with respect to anti-money laundering.

Third: Internal Inspection

The governance concept is applied in the field of inspection through condensed inspection plans aiming at maintaining stability and confidence in the system existed in the bank through:

- Exercising control over the risks that are mainly represented in credit risk, market risk and operating risk in addition to compliance risk, reputation risk and strategy risk.
- Evaluating the performance of the departments and the branches in the light of the extent of compliance with the annual plans of the bank, the strategy approved by the top management of the Bank and the extent of their compliance with the procedures that lead to mitigating risks.

The results of the inspection works are to be presented to the audit committee and the Board of Directors.



Fourth Financial Statements

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Wahid Abdel Ghaffar & Co.-BAKER TILLY
Public Accountant & Consultants



Allied for Accountings & Auditing - EY
Public Accountant & Consultants

AUDITORS' REPORT

To the Shareholders of Arab International Bank

Report on the Financial Statements

We have audited the accompanying financial statements of Arab International Bank, which comprise the statement of financial position as at 31 December 2014, and the statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Bank's management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



Wahid Abdel Ghaffar & Co.-BAKER TILLY
Public Accountant & Consultants

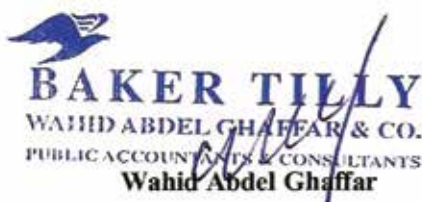


Allied for Accountings & Auditing - EY
Public Accountant & Consultants

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Arab International Bank as of December 31, 2014, and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting standards.

Auditors



Wahid Abdel Ghaffar & Co. - BT



Allied for Accounting & Auditing - EY

Cairo, March 2, 2015

Statement of Financial Position

As of December 31, 2014

(Per Thousand US\$)

	Note No.	31/12/2014	31/12/2013
Assets			
Cash and balances with banks	(6)	97 729	211 919
Due from banks	(7)	303 577	489 038
Treasury bills	(8)	660 558	431 321
Financial assets held for trading	(9)	-	35 948
Available for sale investments	(10)	50 364	52 110
Loans and advances to customers & banks (Net)	(11)	1 347 070	1 352 450
Held to maturity investments	(12)	106 491	31 577
Investments in associates	(13-A)	489 141	478 989
Other assets	(14)	31 422	35 210
Investment properties	(15)	17 483	22 058
Property, plant and equipment (Net)	(16)	39 428	40 282
Total assets		3 143 263	3 180 902
Liabilities & Shareholders' equity			
Liabilities			
Due to banks	(17)	507 081	601 657
Customers' deposits	(18)	1 690 161	1 637 667
Certificates of deposits	(19)	95 740	122 384
Other liabilities	(20)	39 522	51 603
Other provisions	(21)	18 660	15 764
Total liabilities		2 351 164	2 429 075
Shareholders' equity			
Issued and fully subscribed capital	(22)	600 000	600 000
Paid-in capital	(22)	450 000	450 000
Statutory reserve		102 517	99 461
General reserve		73 582	73 582
Retained earnings		51 900	36 620
Available for sale investments fair value reserve		3 593	4 869
Investments in associates fair value reserve	(13-B)	73 913	68 960
Net profit for the year		36 594	18 335
Total shareholder's equity		792 099	751 827
Total liabilities & shareholders' equity		3 143 263	3 180 902

* The attached notes from(1) to (39) form an integral part of these financial statements and are to be read therewith .

*Auditors' report attached



Mohamed Barakat

Deputy Chairman
& Managing Director



Mohamed Abduljawad

Deputy Chairman
& Managing Director



Gamal Negm

Chairman

Statement of Income

For the year ended December 31, 2014

(Per Thousand US\$)

	Note No.	31/12/2014	31/12/2013
Operating Income			
Interest income	(23)	82 697	70 862
Interest expenses	(24)	(18 755)	(16 712)
Net interest income		63 942	54 150
Net trading income		(17)	1 501
Bank's share in the profits of associates	(13 - C)	16 376	13 880
Return on available for sale investments	(25)	5 681	957
Impairment of assets reverted to the bank	(14)	(3 030)	-
Impairment of investment properties	(15)	(4 575)	-
Other operating income (Net)	(26)	14 354	14 976
Total operating income		92 731	85 464
Operating Expenses			
Salaries and wages		(26 416)	(31 554)
Amortization of staff pension subordinated loan	(27)	(4 965)	-
Depreciation		(2 009)	(2 199)
Other administrative expenses		(7 726)	(10 128)
Total operating expenses		(41 116)	(43 881)
Operating profit before provisions		51 615	41 583
Provisions no longer required		2 741	-
Provisions	(27)	(6 462)	(11 029)
Net profit for the year Available for appropriations		47 894	30 554
Less :			
Board of Directors allowances & remunerations (subject to the approval of General Assembly)	(3 - O)	(2 410)	(2 147)
Employees' profit share (subject to the approval of General Assembly)	(3 - O)	(8 890)	(10 072)
Net profit for the year after board of directors' allowances & remunerations and employees'profit shares		36 594	18 335
Earning per share	(37)	1.220	0.611

The attached notes from(1) to (39) form an integral part of these financial statements and are to be read therewith .



Mohamed Barakat
Deputy Chairman
& Managing Director



Mohamed Abduljawad
Deputy Chairman
& Managing Director



Gamal Negr
Chairman

Statement of other Comprehensive Income

For the year ended December 31, 2014

(Per Thousand US\$)

	31/12/2014	31/12/2013
Net profit	36 594	18 335
Other comprehensive (Loss) income		
Change in available for sale investments fair value (Net)	(1 276)	4 037
Change in investment in associate fair value (Net)	4 953	9 440
Other comprehensive income for the year	3 677	13 477
Total comprehensive income	40 271	31 812

Statement of Changes in Shareholders' Equity

For the year ended December 31, 2014

(Per Thousand US\$)

	Paid in Capital	Statutory reserve	General Reserve	Retained Earning	Available for sale Fair Value Reserve	Investment in Associate Fair value reserve	Net Profit For the year	Total
Balance as at 31/12/2012	450 000	95 483	73 582	36 049	832	59 520	27 049	742 515
Profit appropriation for the year ended 31/12/2012	-	3 978	-	571	-	-	(27 049)	(22 500)
Available for sale fair value reserve	-	-	-	-	4 037	-	-	4 037
Investment in associates fair value reserve	-	-	-	-	-	9 440	-	9 440
Net profit for the year 2013	-	-	-	-	-	-	18 335	18 335
Balance as at 31/12/2013	450 000	99 461	73 582	36 620	4 869	68 960	18 335	751 827
Balance as at 31/12/2013	450 000	99 461	73 582	36 620	4 869	68 960	18 335	751 827
Profit appropriation for the year ended 31/12/2013	-	3 055	-	15 280	-	-	(18 335)	-
Available for sale fair value reserve	-	-	-	-	(1 276)	-	-	(1 276)
Investment in associates fair value reserve	-	-	-	-	-	4 954	-	4 954
Net profit for the year 2014 (before the general assembly resolutions)	-	-	-	-	-	-	36 594	36 594
Balance as at 31/12/2014	450 000	102 516	73 582	51 900	3 593	73 914	36 594	792 099

* The attached notes from(1) to (39) form an integral part of these financial statements and are to be read therewith.

Statement of Cash flows

As of December 31, 2014

(Per Thousand US\$)

	31/12/2014	31/12/2013
Cash flows from operating activities		
Net profit for the year	36 594	18 335
Adjustments to reconcile net profit to net cash provided from Operating activities		
Depreciation	2 009	2 199
Disposal of fixed asset	13	-
Provisions formed during the year	6 462	11 029
Provisions no longer required	(2 741)	-
Impairment of investment properties	4 575	-
Impairment of assets reverted to the bank	3 030	-
Amortazation of staff pension subordinated loan	4 965	-
Debts written off	(41 657)	-
Trading investments revaluation differences	17	(1 501)
loss / Profit on sale of available for sale investments	(5 681)	(315)
Shares of profits in associates	(16 376)	(13 880)
Held to maturity investments premium amortization	860	(56)
Effect of exchange rate changes on cash	201	803
Operation profit/ (loss) before changes in assets & liabilities provided from operating activities	(7 729)	16 614
Net decrease (increase) in assets		
Treasury bills	82 682	(5 839)
Trading investments	35 931	103
Loans for customers & banks	46 102	105 662
Other debit balances & other assets	869	2 369
Net (decrease) increase in liabilities		
Due to banks	(94 576)	69 608
Customers' deposits and Certificates of deposits	25 850	(34 789)
Other credit balances and other liabilities	(17 046)	4 486
Net cash provided from operating activities	72 083	158 214
Cash flows from investing activities		
Proceeds from sale of available for sale investments	6 151	11 830
Proceeds from purchase investments in associates	11 177	6 701
Payments for purchase investment held to maturity	(75 774)	-
Payments for purchase of premises and equipment	(1 168)	(551)
Net cash (used in) provided from investing activities	(59 614)	17 980
Cash flow from financing activities		
Dividends paid	-	(22 500)
Net cash used in financing activities	-	(22 500)
Effect of exchange rate changes on cash and cash equivalents during the year	(201)	(803)
Net increase in cash & cash equivalents during the year	12 268	152 891
Cash & cash equivalents at the beginning of the year	851 593	698 702
Cash & cash equivalents at the end of the year	863 861	851 593
Cash & cash equivalents represent as :-		
Cash and balances with banks	97 729	211 919
Due from Banks	303 577	489 038
Treasury bills	660 558	431 321
Less		
Treasury bills with maturity more than 3 months	(198 003)	(280 685)
Cash & cash equivalents at the end of the year	863 861	851 593

The attached notes from (1) to (39) form an integral part of these financial statements and are to be read therewith.

Statement of Proposed Profit Appropriations

For the year ended December 31, 2014

(Per Thousand US\$)

	31/12/2014	31/12/2013
Net profit for the year before Board of Directors' allowances & remunerations and employees' profit shares	47 894	30 554
Retained earnings brought forward	51 900	36 620
Profit available for appropriations	99 794	67 174
<i>Distributed as follows:</i>		
Statutory reserve 10 %	4 789	3 055
Shareholders' dividends	-	-
Board of Directors' allowances & remunerations	2 410	2 147
Employees' profit share	8 890	10 072
Retained earnings carried forward	83 705	51 900
Total	99 794	67 174

*The attached notes from (1) to (39) from an integral part of these financial statements and are to be read therewith.

Notes to the Financial Statements

For the year ended December 31, 2014

(All Amounts in notes Per thousand US\$ unless stated otherwise)

1. General

A. Establishment of the Bank

Arab International Bank was established in 1974 by an International Treaty. The registered office of the Bank is located in 35, Abdel Khalek Sarwat St., Cairo, Egypt and the Bank carries out its business activities through its network of branches in the Arab Republic of Egypt (8 Branches). By virtue of the Treaty, the Bank enjoys certain privileges in the territories of the Member States (shareholders) including:

- Exemption from laws regulating of banks, credit, exchange control, statutory auditing requirements, public institutions, public companies and joint stock companies.
- Immunity from all forms of nationalization and seizure of shares in and deposits with the Bank.
- The Bank's documents, records and files are inviolable and immune from judicial, administrative and accounting control and inspection rules and laws.
- Confidentiality of customers' accounts with the Bank which are not subject to judicial or administrative distaining orders prior to final judgment issuance.
- Exemption from tax of any kind on its funds, profits, dividends and all its activities and different transactions.
- Exemption from taxation and any obligations for the payment, withholding or collection of any tax or duty, which may be imposed on its customers.
- The Extraordinary General Assembly meeting of the Arab International Bank held on March 22nd, 2012 resolved to amend some articles of the Bank Establishment Treaty, and the following are the most significant amendments of which:
 - The laws regulating the exercise of control over the public institutions, public interest entities, public sector companies and the joint stock companies of the Member States in which the Arab International Bank or its branches carry out business activities are not applicable to the Bank or its branches – in this respect the Bank practices its activities in a manner that is not in conflict with the aforementioned and the rest of the articles included in Establishment Agreement Treaty and in this context, the Bank is subjected to the oversight of the Central Bank of Egypt according to the provisions of the applicable law of the Central Bank of Egypt and the law of Banking and Monetary System of the hosting state, in addition, the Bank branches in the other Member States are subjected to the oversight of their own Central Banks in accordance with the provisions of laws governing their banks and credit facilities.
 - All the transactions of the Bank are carried out in all currencies determined by the Board of Directors.
 - The necessary actions have been taken to activate these amendments during the year 2015.

B. Bank's activity

The Bank undertakes all banking, financial and commercial activities relating to economic development and foreign trade particularly in member states, Arab countries and other countries.

C. Financial year

The financial year of the Bank ends up on June 30 of each year. According to the Extraordinary General Assembly Resolution dated September 5, 2007 the ending date of the financial year was amended to be on December 31 of each year.

2. Basis of preparation

- The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB).
- The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses, actual results may differ from these estimates.
- Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.
- In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in Note No. (5)
- The financial statements are prepared under the historical cost convention method as modified by the revaluation of financial assets held for trading, available for sale assets and derivatives instruments.
- These financial statements were approved by the board of director on February 5, 2015.

3. Significant accounting policies applied

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

A. Foreign currency transactions

These financial statements are presented in U.S. Dollar, which is the Bank's functional currency.

The Bank maintains its accounts in U.S. Dollar. Transactions denominated in other currencies during the year are translated into US Dollars at the rate prevailing on the transactions date and the difference is to be charged to the income statement.

Non-monetary assets and liabilities denominated in other currencies that are measured at fair value are translated into U.S. Dollar at the spot exchange rate at the date that the fair value was determined.

Non-monetary assets and liabilities that are measured in terms of historical cost in other currency are translated using the exchange rate at the date of the transaction.

Exchange differences are recognized in the income statement in the period in which they arise. Differences arising on translation of non-monetary assets and liabilities measured at fair value are recorded in the changes of its fair value.

B. Revenue recognition

- Interest income is recognized in the income statement as it accrues and the income gained from the commissions and charges is recognized upon rendering the service except for interest income on non-performing loans and advances as the interest are calculated based on the portion expected to be collected thereof at the contract interest rate to calculate the present value of the future cash flows related to the portion of the loan that is expected to be repaid.
- The Bank's share in the operating results of the associate companies is recorded in the books based on the equity method.
- Dividend income on equity instruments classified as held for trading or available for sale investments is accounted for when the right to receive dividend is established.
- Gain or loss on sale of investments is accounted for when the sale is executed and recorded on the date of transferring the gains and risks of the investment to the buyer.
- The revenues of banking services are recorded when the service is rendered.

C. Financial assets:

The Bank classifies its financial assets into the following categories: financial assets at fair value through profit or loss, loans & liabilities, held-to-maturity investments; available-for-sale financial assets. Management determines the classification of its investments at initial recognition.

(C / 1) Financial assets at fair value through profit or loss:

This category has three sub-categories: financial assets held for trading, financial assets designated at fair value through profit or loss at inception and derivatives.

- Financial assets are classified as held for trading if they are acquired or incurred principally for the purpose of selling in the near term or from part of a portfolio of identified financial instruments that are managed together and for which there is evidence of recent actual pattern of short-term profit taking. Derivatives are also categorized as held for trading unless they are designated as hedging instruments.
- Financial assets are designated at fair value through profit or loss when:
 - 1- Doing so significantly reduces measurement inconsistencies that would arise if the related derivatives were treated as held for trading and underlying the financial instruments were carried at amortized cost for such as loans and advances to customers or banks and debt securities in issue.
 - 2- Certain investments, such as equity investments that are managed and evaluated at the fair value basis in accordance with a documented risk management or investment strategy and reported to key management on that basis are designated at fair value through profit and loss.
 - 3- Financial instruments such as debt securities held containing one or more embedded derivatives significantly modify the cash flows are designated at fair value through profit and loss.
- Gain and losses arising from changes in the fair value of derivatives that are managed in conjunction with designated financial assets or financial liabilities are included in the net income from financial instruments designated at fair value.
- No reclassification of any financial derivatives from the financial instrument group at fair value through profit and losses during the held to maturity period and no reclassification at fair value through profit and losses in case that the Bank had declared at initial recognition the treatment at fair value from profit and losses.

(C / 2) Held to maturity investments :

Held-to-maturity investments are non derivative financial assets with fixed or determinable payments and fixed maturities that Bank's management has positive intention and ability to hold it to maturity. A re-classification takes place for the whole group to available for sale if the Bank sold a material amount of the financial assets held to maturity except for the necessity situations.

(C / 3) Available for Sale Investments:

Available for Sale Investments represents non-derived financial assets with an intention to hold them for a non-determined period, and are sold because of liquidity needs or changes in the interest rates, exchange rates, or in the shares prices.

The following are applied for the financial assets:

- Recognition of purchases and sales are for the usual manner of financial assets in the date of trade which is the date where the Bank is obligated to sell or purchase the asset (and that is for the recorded assets at fair value through profit and loss), the investments held to maturity, and the investments available for sale.
- Initial recognition of financial assets, which have not been recorded at its issuance at fair value through profit and loss at fair value plus the deal costs. The financial assets recorded on issuance at fair value through

profit and loss are recognized at fair value only, while the deal costs are recorded in the income statement in the net trade income item.

- Financial assets are excluded\disposed when the term of validity of the contractual right to receive cash flows from the financial asset comes to an end, or when the Bank transfers the bulk of the risks and benefits associated with ownership to another party, obligations are excluded when it comes to end either by disposing, cancellation or the end of their contract.
- Subsequently, measurement is to be at fair value for each of the financial investments available for sale and the financial assets classified at fair value through profit and loss and at amortized cost for loans, debts and investments held to maturity.
- Gains and losses resulting from changes in fair value of financial assets classified at fair value through profit and loss are recognized in the income statement in the period in which they occur, while the profit and loss resulting from the changes in the fair value of the investments available for sale are recognized directly in the owner's equity, and that is till the asset is disposed or impaired, at that time accumulated profit and loss previously recognized in the owner's equity are recognized in the income statement.
- Calculated interest by the amortized cost, profits and losses of foreign currency related to monetary assets classified as available for sale and dividends resulting from owner's equity classified as available for sale when the Bank has the right to collect it are recognized in the income statement.
- Fair value for the listed investments in an active market is determined according to Bid Price. But if there is no active market for the financial asset or no present\current demand prices available, the Bank determines the fair value by using one of the evaluation methods, this includes using recent neutral\transactions, analyzing the discounted cash flows, the alternative pricing form, or the other evaluation methods which are commonly used by the market dealers. If the Bank is unable to estimate the fair value for the Owner's equity instruments which are classified available for sale, then it is evaluated by cost after deducting any impairment in its value.
- The Bank re-classify the financial assets which were previously classified as financial assets available for sale which were defined as loans and debts (bonds and loans) to be transferred from the available for sale group to the loans and debts group or to the financial assets held to maturity –each according to the circumstances - and that is when the Bank has the intension and the ability to hold these financial assets to maturity or till foreseeable future. Re-classification is at fair value at the re-classification date. Profit or loss related to these assets which were previously recognized are treated\handled in the Owner's equity as follows:
 - In case of re-classified financial assets with fixed due date, profit or loss is amortized over the remaining life for the investment held to maturity by the actual yield method. Any difference between the value at amortized cost basis and that at maturity date is amortized over the remaining life for the financial asset using the actual yield method. In case of the subsequent impairment of the financial asset any profit or loss which was previously recognized directly in Owner's equity is recorded in profit and losses.
 - In case of the financial asset with no fixed due date, profit and loss is recorded in Owner's equity until the sale or disposal of the asset, at this point it is recorded in profit and loss.

D. Investments in associates

Accounting for investments in companies which the Bank owns 20% or more of the voting rights is according to the equity method. Initial recognition is at cost, which is subsequently increased or decreased based on the Bank's share of the change in the investees companies net assets which occur after the acquisition. The Bank's share in the change of the investees companies equity subsequent to the acquisition are recorded directly in the Bank's equity. The investment cost is decreased by the dividends received from the investees and impairment losses, if any.

E. Investment properties

Investment properties are initially recognized at cost plus transaction costs, and are subsequently measured at fair value. Gains or losses arising from a change in fair value of these investments are recorded in the income statement in the period in which they arise.

F. Loans and advances

- Loans and advances are initially recognized at fair value, and re-measured at amortized cost using the effective interest rate.
- Specific allowances are made against the carrying amount of loans and advances that are identified as being impaired based on regular reviews of outstanding balances to reduce these loans and advances to their recoverable amounts based on the present value of estimated future cash flows discounted at the effective interest rate. Impairment loss is recognized in the statement of income.
- Performing loans impairment losses are accounted based on a percentage of these loans and the contingent liabilities related thereto in the light of the management's experience and the relevant losses in the previous periods.
- The loans and advances are directly written off when the management finds out they are uncollectible.

G. Premises and equipment

- Property and equipment are stated at cost less accumulated depreciation and provision for impairment in value, if any. Depreciation is calculated using the straight-line method at rates ranging from 2% to 33,3%.
- Improvement expenses of lease- hold branches of the Bank are depreciated at the lower of estimated useful life or lease period.

H. Assets reverted to the Bank in settlement the some customers' debts

Assets reverted to the Bank are stated under the item of "Debit balances and other assets" on the basis of the value by which they are assigned or its fair value, whichever is lower. In case the assets fair value falls below the value at which such assets have been reverted to the Bank in the balance sheet date, the resulting differences are charged to income statement and in case of increase of the fair value, such increase shall be added to income statement within the limit of amounts charged to the income statement in previous financial periods.

I. Impairment of financial assets:

(I / 1) Held to maturity investments:

The Bank assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset "loss event" and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

The criteria that The Bank uses to determine that there is objective evidence of an impairment loss include:

- Substantial financial difficulties facing the debtor.
- Prediction of bankruptcy of the debtor or the debtor is being sued to be liquidated.

(I / 2) Assets classified as available for sale:

The Bank assesses at each balance sheet date whether there is objective evidence that a financial assets or a group of financial assets is impaired which is included as available for sale .

In the case of equity investments classified as available for sale, significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired

J. Other provisions

A provision is recognized, if as result of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Other provisions balance is reviewed on the balance sheet date and amended when necessary to indicate the best current estimate thereof.

K. Offsetting

Financial assets and financial liabilities are only offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and the Bank intends to settle on a net basis.

L. Derivatives

The Bank enters into derivative contracts which include forward contracts, forward exchange rates contracts, swap contracts and options contracts etc. These transactions are recorded at fair value. The fair value of derivatives is represented in the equivalent of unrecognized profits or losses resulting from re-pricing of these instruments according to market or based on any other acceptable pricing method.

The change in fair value derivatives for trading purposes is recorded in the income statement, in regards to the derivatives for hedging purposes, it is accounted for based on the Bank's policies regarding risk management and for accounting treatment purposes, and it is classified into the following:

- Fair value hedges: the change in the fair value of these instruments and the change in the fair value of the hedged asset or liability are recognized in the income statement.
- Cash flow hedges: change in the fair value of cash flow hedges which prove to be effective is recognized directly in equity while the ineffective portion is recognized in income statement. At the due date of these instruments, the resulting differences from the liquidation and the amounts previously recorded in equity are recognized in the income statement.

The hedge transaction is considered effective if it is expected, at the beginning and during the contract, that the change in the fair value of the hedged item will almost be completely covered by the change in the hedging instrument.

M. Statutory reserve

The Bank's statutes stipulate that 10% of net income of each financial year be transferred to a statutory reserve until the accumulated reserve equals the issued and fully paid share capital.

This reserve is not available for distribution.

N. General reserve

The general reserve is to be formed based on General Assembly resolutions to enhance the capital base of the Bank.

O. Board of Directors' remuneration and allowances

According to the International Financial Reporting Standards, the remunerations and allowances of the Members of Board of Directors constitute a part of the cost recorded in the income statement while the Bank's articles of association states that the remunerations and allowances of the Members of Board of Directors are part of profits appropriations that are approved by the General Assembly of the Bank at the end of each year, therefore, the Board of Directors remuneration & allowances and employees profit share were recorded in the profits appropriations statement (pending the approval of the General Assembly), and at the same time, the same amounts are stated in the income statement to fulfill the International Financial Reporting Standards requirements.

P. Cash and cash equivalents

For the purpose of preparing the cash flow statement, the cash and cash equivalents include cash and current accounts with Banks and treasury Bills with maturity less than 3 months.

Q. Employees' pension fund

The Bank's contributory defined pension plan covers the employees' pensions and other end of service benefits. The Bank's contribution to this fund is computed at a certain percentage of the employees' annual salaries, in addition to amounts required to the fund as decided by the Actuary to continue providing its services and maintain the minimum return on its invested funds.

4. Financial risk management

The Bank is exposed to different financial risks based on its activities which include:

- Credit risk
- Operational risk
- Market risk
- Liquidity risk

Financial business is based on acceptance of risks. Some risks or a group of which are analyzed, assessed and managed with a view to strike a balance between such risks and return, and to minimize the potential negative impacts on the Bank's financial performance. The most significant risks are credit, market, liquidity, and operational risks. Market risk includes foreign exchange, interest, and other risks.

The Bank regularly reviews and amends the risk management policies and systems to cope with changes in the market, products, and services and make use of updated applications.

Risks are managed in the light of the policies approved by the Board of Directors. Risk Management Departments identifies, assesses, and covers financial risks in close cooperation with other operating units in the Bank. Within framework of the principles of governance and the sound banking performances related to banking risks management, the board of directors provides an integrated supervisory structure of higher committees originated there from , which are the following:-

- Top management and governance committee.
- Internal Audit committee.
- Risk committee
- Remuneration committee.
- Investments committee

The membership of the higher committees formed from the non executive members of the board of directors, and each committee shall practice its activity within the frame work of a by – law approved by the board of directors that determines its competencies and the dates of holding its meetings in addition to the issues of which its committee is completed to submit its recommendations thereof to the board of directors.

Through the committees emerging there from the board of director provides written instructions covering certain risk areas such as credit, foreign exchange, and interest rate, as well as the use of financial derivatives and other instruments. In addition, Risk Management Department is independently responsible for regular review of risks and control environment. Risk Management Department is to identify and adopt methods used to analyze, monitor, and approve a country credit risk and risk limit, as well as market risk, and operational risk. It carefully reviews the trading strategies in high risk areas, and actively seeks to improve predictability and management of such risks.

Risk Management Department works with complete compatibility with the following principles:

- Independence of Risk Management Department from Operation Department.
- Applying consistent approach for identify and evaluate Bank's risks.

A. Credit risks

The Bank is exposed to credit risk which means that a party does not repay the amount due from it. Credit risk is the most significant risk encountered by the Bank; therefore, the Bank's management carefully manages such exposure. Credit risk is mainly represented in lending activities such as loans, facilities, and investment activities, as a result, the Bank's assets include debt instruments. Credit risk also exists in off balance sheet financial instruments such as loan commitments. Credit risk management and control operations are the responsibility of Risk Management Department which regularly reports to the Board of Directors, top management, and heads of business units.

The Bank applies a tight framework to control credit risk, and the credit policy and the authority to grant credit are corner stone of this framework. Both credit policy and the authority to grant credit are determined by the Risk Management Department and business lines, and they are regularly reviewed and approved by the Board of Directors

Credit Risk Management Department is responsible for:

- Determining credit limits for each customer, group of customers, and individual commercial transactions.
- Approving the customer rating forms and internal standards to determine the credit rating of the customer (reflecting the repayment credibility of the customer).
- Monitoring credit granted to key clients in all credit portfolios.
- Reviewing the wording of general and specific provisioning policies

More and above, a comprehensive analysis of portfolio is made to provide guidance to the Bank's management on general credit risks and those specific to the Bank accordingly, submitting reports to the risk committee. Risk Management department also helps in determining the criteria for measuring risk, and identifying appropriate practices for credit provisioning.

Table (A) Illustrates the status of balances of loans and facilities in terms of past dues and impairment and Table (B) illustrates the loans and facilities in terms of internal credit rating used by the Bank

Table No. (A) The status of balances of loans and facilities to customers & Banks in terms of past dues and impairment as on 31/12/2014 are as follows:

	31 / 12 / 2014			31 / 12 / 2013		
	Loans and facilities to Customers	Loans and facilities to Institutions	Loans and facilities to Banks	Loans and facilities to Customers	Loans and facilities to Institutions	Loans and facilities to Banks
Neither past due nor impaired	77 060	1 241 382	50 000	70 039	1 262 908	50 000
Past due but not impaired	-	-	-	-	-	-
Impaired	381	146 360	-	741	206 315	-
Total	77 441	1 387 742	50 000	70 780	1 469 223	50 000
Less: Impairment	422	107 069	-	640	147 572	-
Less: Suspense interest	198	60 424	-	309	89 032	-
Net	76 821	1 220 249	50 000	69 831	1 232 619	50 000

Table No. (B) Loans and facilities to customers & Banks in terms of internal credit rating used by the Bank as on 31/12/2014 are as follows:

Individuals				
31 / 12 / 2014	Debit current accounts	Credit cards	Personal loans	Total loans and facilities
1. Good	3 481	-	73 116	76 597
2. Regular follow-up	-	463	-	463
3. Special follow-up	-	-	-	-
4. Non-performing	25	-	356	381
Total	3 506	463	73 472	77 441

Corporate and Banks					
31 / 12 / 2014	Debit current accounts	Direct loans	Syndicated Corporate loans	Banks	Total loans & facilities
1. Good	153	2 804	14 808	50 000	67 765
2. Regular follow-up	-	825 308	373 908	-	1 199 216
3. Special follow-up	-	24 401	-	-	24 401
4. Non-performing	1 011	145 349	-	-	146 360
Total	1 164	997 862	388 716	50 000	1 437 742

Individuals				
31 / 12 / 2013	Debit current accounts	Credit cards	Personal loans	Total loans & facilities
1. Good	869	-	68 660	69 529
2. Regular follow-up	-	511	-	511
3. Special follow-up	-	-	-	-
4. Non-performing	26	-	714	740
Total	895	511	69 374	70 780

Corporate and Banks					
31 / 12 / 2013	Debit current accounts	Direct loans	Syndicated Corporate loans	Banks	Total loans & facilities
1. Good	3 236	489 706	179 114	50 000	722 056
2. Regular follow-up	-	332 566	211 943	-	544 509
3. Special follow-up	-	46 342	-	-	46 342
4. Non-performing	469	205 847	-	-	206 316
Total	3 705	1 074 461	391 057	50 000	1 519 223

Guaranteed loans are not considered subject to impairment for the non-performing category after taking into consideration the collectability of the guarantees.

B. Operational risk

It includes legal, non-compliance, accounting, environmental, and reputation risks. This risk results from losses, fraud, financial misstatements, inappropriate procedures and internal systems, human error, or external events. It also implies those risks associated with legal and administrative penalties, and disciplinary actions due to non-compliance with relevant rules and regulations.

Audit committee meets regularly to control operational risk, and ongoing and regular control managed by the inspection department and internal audit department.

Legal risks are managed by the legal department and compliance risks are managed by the Compliance Manager.

C. Market risk

Market risk represents the loss resulting from adverse changes in market prices. This risk is inherent in all trading transactions and some of the Bank's operations.

Foreign exchange risks represent losses resulting from changes in interest and forex rates for balance sheet and off balance sheet items. These risks result from the trading activities of the Bank.

Interest rate risks relate to trading activities and are attributed to the difference between total assets and total liabilities of fixed interest rates.

The main principle is to minimize the risk of structured interest rate as far as possible. Micro and macro-hedging is made for such risks whenever it is possible.

Accordingly, such risks are measured based on the remaining potential risks after such hedging procedures. It is worth mentioning that non-existence of a market for derivatives in Egypt exacerbates the difficulty of implementing local currency hedging transactions.

The Bank is exposed to forex rate volatility risk in terms of the financial position and cash flows. The Board of Directors sets limits for foreign currencies at the total value of positions at the end of the day and during the day when timely control is exercised.

Asset and Liability Management Committee is concerned with identifying policies and planning to deal with financing and liquidity risks, deciding on the limits of acceptable interest rate risk, approving the assumptions used to determine and measure all risks, and assessing, amending, and approving any recommendations to fill gaps, (if any).

Table (c) illustrates the carrying amounts of financial instruments in relevant currencies

Table No. (C) The carrying amounts of financial instruments in relevant currencies.

31/12/2014	US\$	Euro	GBP	EGP	Other currencies	Total
Financial assets						
Cash and balances with banks	90 128	2 836	1 950	154	2 661	97 729
Due from banks	118 000	55 440	124 041	-	6 096	303 577
Loans and advances to customers & banks (Net)	1 274 546	72 392	19	4	109	1 347 070
Financial investments						
Treasury bills	486 403	133 084	-	41 071	-	660 558
Trading	-	-	-	-	-	-
Available for sale	50 364	-	-	-	-	50 364
Held to maturity	106 491	-	-	-	-	106 491
Investments in associates	303 641	-	-	185 500	-	489 141
Total financial assets	2 429 573	263 752	126 010	226 729	8 866	3 054 930
Financial Liabilities						
Due to banks	468 154	33 330	4 117	-	1 480	507 081
Clients' deposits and certificates	1 429 472	227 782	121 358	-	7 289	1 785 901
Total financial liabilities	1 897 626	261 112	125 475	-	8 769	2 292 982
Net financial position- the balance sheet	531 947	2 640	535	226 729	97	761 948

31/12/2013	US\$	Euro	GBP	EGP	Other currencies	Total
Financial assets						
Cash and balances with banks	167 471	36 763	1 773	911	5 001	211 919
Due from banks	275 000	73 018	137 745	-	3 275	489 038
Loans and advances to customers & banks (Net)	1 272 936	78 316	99	5	1 094	1 352 450
Financial investments						
Treasury bills	296 708	134 613	-	-	-	431 321
Trading	35 948	-	-	-	-	35 948
Available for sale	52 110	-	-	-	-	52 110
Held to maturity	31 577	-	-	-	-	31 577
Investments in associates	293 791	-	-	185 198	-	478 989
Total financial assets	2 425 541	322 710	139 617	186 114	9 370	3 083 352
Financial Liabilities						
Due to banks	559 736	36 521	4 002	-	1 398	601 657
Clients' deposits and certificates	1 333 502	283 963	134 704	-	7 882	1 760 051
Total financial liabilities	1 893 238	320 484	138 706	-	9 280	2 361 708
Net financial position- the balance sheet	532 303	2 226	911	186 114	90	721 644

D. Liquidity risk

Liquidity risk is defined as a risk resulting from the Bank's inability to meet cash outflows on maturity at an appropriate price. Liquidity is considered and followed up through models of cash flows according to several scenarios.

The Dealing room is responsible for managing short term liquidity and producing report on financial markets, following up on any sign of potential liquidity crisis, and reporting to Asset and Liability Management Committee on the Bank's needs of liquidity .

Fair value of financial assets and liabilities

A. Financial instruments measured at fair value using valuation methods:

Held for trading financial assets are measured at fair value and the resulting difference is recorded in the income statement. Debt instruments classified as financial instruments available for sale are measured at fair value and the resulting difference is recorded in the reserve for change in the fair value of available for sale financial instruments. Equity instruments are measured at fair value (listed shares) and the resulting difference is recorded in the reserve for change in the fair value of available for sale financial assets, while unlisted shares are stated at cost.

B. Financial instruments not measured at fair value:

The following table summarizes the current value and fair value of financial assets and liabilities which are not presented at fair value in the Bank's balance sheet.

	Book value (carrying amount)		Fair value	
	31 / 12 / 2014	31 / 12 / 2013	31 / 12 / 2014	31 / 12 / 2013
Financial assets				
Financial investments:				
Unlisted available for sale equity instruments	23 167	23 020		
Held to maturity:				
Debt instruments	106 491	31 577	108 388	31 265

C. Financial investments held to maturity

Financial investments held to maturity as shown in the previous table include Egyptian treasury bonds classified as financial investments held to maturity. Fair value of financial assets held to maturity is determined based on market prices declared in the stock exchange and recorded based on their book value without amendment.

5. Accounting estimates and assumptions

The preparation of financial statements requires management to make judgments and estimates regarding matters that are inherently uncertain. Those judgments and estimates are based on historical experience and other factors including the expectations of the future events that can be reasonably estimated based on available condition and information.

The most significant areas requiring judgments and accounting estimates are as follows:

A. Impairment losses for loans and advances

The Bank reviews the portfolio of loans and advances. The Bank uses discretionary judgment on determining whether it is necessary to record impairment loss in the income statement. The Bank has to identify if there is objective evidence indicating a decline in the expected future cash flows from loan portfolio before identifying any decline on individual basis. This evidence include data indicating negative changes in a borrower's portfolio ability to repay to the Bank or local or economic circumstances related to default. Upon scheduling future cash flows, the management uses the estimates, based on past experience, to determine the credit impairment loss for assets when there is objective evidence of impairment similar to that of the portfolio in question. The methods and assumptions used in estimating both the amount and timing of the future cash flows are reviewed on a regular basis to minimize any discrepancy between the estimated loss and actual loss based on experience.

B. Impairment of the available for sale equity instruments:

In the case of available for sale financial investments, a significant or continuous decline in the fair value of security below its cost is considered as impairment.

Where such evidence exists, significant or continuous decline needs a personal judgment. To make this judgment, the Bank assesses-besides other factors-the common share price volatility. In addition, impairment exists when there is objective evidence that a certain company has a financial difficulty in its cash flows from operating and financing activities, industry tool or sector or technological advances.

C. Derivatives' fair value:

For the unquoted financial instruments, the fair value is determined using a variety of valuation techniques which are tested and reviewed periodically by high qualified staffs that are independent of those who created the models. The models used are validated prior to putting them into use. Inputs to pricing models are generally market-based when available and taken from reliable external data sources. While areas like the Bank credit risk, counterparties, volatility and correlations require management to make judgments and estimations. Changes in the assumptions related to these factors may affect the financial instruments fair values which have been disclosed.

D. Held to maturity investments:

Non-derivative financial assets with fixed or determined payments and fixed maturity are classified as held to maturity. This classification requires personal judgment, therefore, the Bank tests whether there is a genuine intent and ability to hold such investments till maturity. If the Bank fails to hold these investments till maturity (except for certain tightly defined circumstances such as if an entity sells an insignificant amount of held-to-maturity investments close to maturity date) investments held to maturity should be reclassified as available-for-sale, which will be measured at fair value instead of amortized cost.

6. Cash and balances with banks

	31 / 12 / 2014	31 / 12 / 2013
Cash on hand	33 877	45 086
Local banks – current A / C	370	1 055
Foreign banks – current A / C	63 482	165 778
Total	97 729	211 919

Balances with Banks includes an amount of US\$ 4 469 representing the non- interest bearing balances .

7. Due from banks

	31 / 12 / 2014	31 / 12 / 2013
Placements with local banks	218 065	305 098
Placements with foreign banks	85 512	183 940
Total	303 577	489 038

8. Treasury bills

	31 / 12 / 2014	31 / 12 / 2013
Treasury bills matured 364 days	625 274	437 770
Treasury bills matured 270 days	1 590	-
Treasury bills matured 90 days	38 507	-
Total	665 371	437 770
Unearned interest	(4 813)	(6 449)
Net	660 558	431 321

9. Financial assets held for trading

	31 / 12 / 2014	31 / 12 / 2013
portfolios managed by others	-	35 948
Total	-	35 948

10. Available for sale Investments

	31 / 12 / 2014	31 / 12 / 2013
International Bonds and Equity	17 582	19 438
Portfolios managed by others	9 615	9 652
Equity instruments at cost	23 167	23 020
Total	50 364	52 110
Balance at the beginning of the year	52 110	59 587
Addition	2 526	2 648
Deduction	(5 914)	(12 033)
Gain from fair value differences	1 642	1 908
Balance at the end of the year	50 364	52 110
Mutual funds	8 388	7 808
Portfolios managed by others	1 227	1 814
Listed debt instruments with fair value	14 703	13 788
Listed equity instruments with fair value	2 879	5 680
Unlisted instruments	23 167	23 020
Total	50 364	52 110

- The following is the unlisted equity instruments book value that were measured at cost due to the inability to determine its fair value on the balance sheet date:

	Ownership %	31 / 12 / 2014	31 / 12 / 2013
A.I.C.H.T. – Cairo	17.59	16 400	16 400
Société D'Etudes Et Dev. Tunisia	10	1 583	1 583
AFSCO – Bahrain	2.29	704	704
Arab Financing Program	0.11	860	860
Egyptian Credit Bureau	3.57	288	288
Egyptian Banks for Takaful Insurance Co. * (for Property and Liability Insurance)	9.5	1 769	1 632
International Co. for Multi Investments	10.75	1 532	1 532
Other **		31	21
Total		23 167	23 020

* The increase is represented in the share of the bank in the company's capital increase during the year.

** Including the new participation of the Bank in the Nile Rating Company with the amount of US\$ 10 thousand in addition to the token value of some outstanding participations whose value had been decreased in full as a result of impairment.

11. Loans and advances to customers & banks (Net)

	31 / 12 / 2014	31 / 12 / 2013
Loans for customers	1 465 183	1 540 003
Loans for banks	50 000	50 000
Total loans	1 515 183	1 590 003
Less:		
- Specific allowances	74 312	116 934
- Collective allowances	33 179	31 278
- Suspense interest	60 622	89 341
	168 113	237 553
Net loans	1 347 070	1 352 450

- Non performing loans amount to U.S.\$ 86 Million on Dec 31, 2014 compared to U.S.\$ 118 Million on Dec 31, 2013, and suspense interest amount to US\$ 60.6 Million on Dec 31, 2014 compared to US\$ 89.3 Million on Dec 31, 2013.

Movement on loan loss provision during the year is as follows:

	31 / 12 / 2014			31 / 12 / 2013		
	Specific allowances	Collective allowances	Total allowances	Specific allowances	Collective allowances	Total allowances
Balance at the beginning of the year	116 934	31 278	148 212	116 928	26 692	143 620
Written off	(41 657)	-	(41 657)	-	-	-
Provisions no longer required	(1 674)	-	(1 674)	-	-	-
Transfers	487	(358)	129	(246)	545	299
Formed during the year	222	2 259	2 481	252	4 041	4 293
Total	74 312	33 179	107 491	116 934	31 278	148 212

The classification of loans and advances by sector is as follows:

Sector	31 / 12 / 2014	31 / 12 / 2013
Financial institutions	138 931	155 929
Industrial	691 573	681 669
Commercial	87 500	79 190
Touristic	171 812	170 447
Electricity	163 476	176 921
Construction	11 630	11 587
Others	189 639	224 919
Total	1 454 561	1 500 662
Less: loan loss allowances	(107 491)	(148 212)
Net	1 347 070	1 352 450

Loans & advances to customers

	31 / 12 / 2014	31 / 12 / 2013
Individuals		
Debit current accounts	3 506	895
Credit cards	463	511
Personal loans	73 472	69 374
Total (1)	77 441	70 780
Corporate		
Debit current accounts	1 164	3 705
Direct loans	997 862	1 074 461
Syndicated loans	388 716	391 057
Total (2)	1 387 742	1 469 223
Total loans and advances for customers (1+2)	1 465 183	1 540 003
Less		
Loans loss allowances	107 491	148 212
Suspense interest	60 622	89 341
Net loans and advances to customers	1 297 070	1 302 450
Performing loans	1 285 263	1 301 669
Non – performing loans	11 807	781
Total	1 297 070	1 302 450

12. Held to maturity investments

	31 / 12 / 2014	31 / 12 / 2013
Government bonds (mature in 2020) 5.75%	20 000	20 000
Government bonds (mature in 2015) 5.25%	85 629	12 000
Add/Less :-		
Unamortized premium / discount	862	(423)
Total	106 491	31 577
Listed debt instruments	106 491	31 577
Unlisted debt instruments	-	-
Total	106 491	31 577
Floating interest debt instruments	-	-
Fixed interest debt instruments	106 491	31 577
Total	106 491	31 577
	31 / 12 / 2014	31 / 12 / 2013
Beginning balance	31 577	31 522
Addition	75 774	-
Unamortized premium/discount	(860)	55
Ending balance	106 491	31 577

- Fair market value for held to maturity investments amount to US\$ 108 388 K on December 31, 2014
Compared to US\$ 31 265 K on December 31, 2013.

13. Investments in associates

A. Equity participations where the Bank holds over 20% of the share capital are as follows:

Name of Company	(%) of Ownership	Sector	31 / 12 / 2014	31 / 12 / 2013
Compagnie Arabe de Financement International	89.04 %	Financial Institution	7 890	7 641
World Trade Center (WTC)	50 %	Real Estate Operating and Development	131 151	132 098
Société Arabe Internationale de Banque (SAIB)	46.08 %	Banking	126 214	116 290
Suez Canal Bank (SCB)	41.5 %	Banking	116 138	116 138
International Company for Tourist Investments (ICTI)	24 %	Education	69 363	69 061
Suez Canal Co. for Technology	20 %	Tourism Projects	38 385	37 761
Total			489 141	478 989

Name of company	Total asset	Total liabilities	Total revenue	Net Profit (loss)
2014				
Compagnie Arabe de Financement International	11 235	25	635	600
World Trade Center (WTC)	327 642	13 950	2 200	705
Société Arabe Internationale de Banque (SAIB)	4 655 474	4 381 544	372 119	24 745
Suez Canal Bank (SCB)	2 817 729	2 470 935	214 505	543
International Company for Tourist Investments (ICTI)	239 526	81 669	29 634	20 876
Suez Canal Co. for Technology	200 430	6 175	7 700	(4 000)
2013				
Compagnie Arabe de Financement International	8 322	19	605	576
World Trade Center (WTC)	276 143	13 240	2 211	705
Société Arabe Internationale de Banque (SAIB)	3 470 553	3 218 161	290 915	21 148
Suez Canal Bank (SCB)	2 633 392	2 353 271	204 290	516
International Company for Tourist Investments (ICTI)	247 253	86 545	30 865	18 879
Suez Canal Co. for Technology	195 735	3 838	7 701	(4 022)

The Bank owns 89.043 % of the share capital of Compagnie Arabe de Financement internationale (CAFI) and the Bank's direct participation in Societe Arabe Internationale de Banque (SAIB) is 46.075 % which has a participation of 4.36 % of the share capital of (SAIB). Accordingly, the Bank's direct and indirect interest in (SAIB) is 50.435 % However, since the Bank currently does not have sufficient representation in the Board of Directors the represent its ownership share in SAIB, no consolidated financial statements have been prepared.

B. Investments in associates fair value reserve

The item of Investments in associates fair value is representing the changes in the Bank's share in equity of the companies invested in that are subsequent to the acquisition and charged directly to the equity of such companies as follows:

Name of the company	31 / 12 / 2014	31 / 12 / 2013	Change during the year 2014
World Trade Center Company (WTC)-Cairo	66 325	66 467	(142)
Société Arabe International de Banque (SAIB)	9 156	3 925	5 231
Suez Canal Bank (SCB)	(20 790)	(20 790)	-
International Company for Tourist Investments (ICTI)	19 222	19 358	(136)
Total	73 913	68 960	4 953

C. Bank's share in the profits of associates

	31 / 12 / 2014	31 / 12 / 2013
Compagnie Arabe de Financement International	248	-
World Trade Center (WTC)	(804)	857
Société Arabe Internationale de Banque (SAIB)	11 143	9 744
International Company for Tourist Investments (ICTI)	761	(1 268)
Suez Canal Co. for Technology	5 028	4 547
Total	16 376	13 880

14. Other assets

	31 / 12 / 2014	31 / 12 / 2013
Accrued revenue	8 919	7 332
Advances to purchase fixed assets	1 155	1 187
Prepaid expenses	725	802
Assets reverted to the bank (Net) *	10 313	13 343
Other debit balances **	10 310	12 546
Total	31 422	35 210

* Recording the impairment of assets whose ownership was reverted to the Bank during the year 2014 with the amount of U.S\$ 3 030 thousand .

** The sundry debtors as at December 31, 2014 include the amount of U.S \$ 6 018 K which represents the amount disbursed to the employees and the Managing Directors under the account of profits appropriation for the year 2014 which is in the process of being approved by the General Assembly.

15. Investment properties

	31 / 12 / 2014	31 / 12 / 2013
Investment properties	22 058	22 058
Less:- Impairment	(4 575)	-
Total at the end of the year	17 483	22 058

A study of the market have been estimated to achieve the four tests :-

- Possible implementation
- Compatible with the laws and regulations
- Achieve higher economic returns
- Use optimization

16. Property, Plant and equipment (Net)

Description	Land	Building & Improvements	Furniture Fittings & Equipment	Cars	Total
Cost as at December 31, 2013	21 000	32 029	30 102	2 586	85 717
Additions	-	18	1 150	-	1 168
Disposals	-	-	(13)	-	(13)
Cost as at December 31, 2014	21 000	32 047	31 239	2 586	86 872
Accumulated depreciation as at December 31, 2013	-	14 599	28 404	2 432	45 435
Depreciation for the year	-	1 404	552	53	2 009
Accumulated depreciation as at December 31, 2014	-	16 003	28 956	2 485	47 444
Net book value December 31, 2014	21 000	16 044	2 283	101	39 428
Net book value December 31, 2013	21 000	17 430	1 698	154	40 282

17. Due to banks

	31 / 12 / 2014	31 / 12 / 2013
A) Local banks		
Current accounts *	95 089	114 477
Deposits	52 865	50 000
	147 954	164 477
B) Foreign banks		
Current accounts *	16 186	19 938
Deposits	342 941	417 242
	359 127	437 180
Total A+B	507 081	601 657

* The current accounts due to banks included interest – free amount of U.S\$ 11 951 thousand.

18. Customers' deposits

	31 / 12 / 2014	31 / 12 / 2013
Time deposits	1 214 196	1 241 223
Current accounts	184 951	114 746
Saving accounts	272 077	265 684
Other deposits	18 937	16 014
Total	1 690 161	1 637 667
Individuals deposits	1 358 206	1 372 822
Corporate deposits	331 955	264 845
Total	1 690 161	1 637 667
Non – interest bearing balances	110 863	130 760
Interest bearing balances	1 579 298	1 506 907
Total	1 690 161	1 637 667
Current balances	1 478 568	1 481 582
Non – current balances	211 593	156 085
Total	1 690 161	1 637 667

19. Certificates of deposit

The Bank issued three years non-negotiable certificates of deposit. The interest is floating and payable quarterly, semi-annually or annually. The balance is analyzed as follows:

Issues	31 / 12 / 2014	31 / 12 / 2013
Three months	16 187	20 980
Six months	21 405	28 444
One year	58 148	72 960
Total	95 740	122 384
Current balances	50 876	16 395
Non – current balances	44 864	105 989
Total	95 740	122 384

20. Other liabilities

	31 / 12 / 2014	31 / 12 / 2013
Accrued interest	8 316	7 603
Unearned interest	7 079	12 328
Accrued expenses	1 250	225
Pension fund	5 232	11 415
Sundry creditors *	17 645	20 032
Total	39 522	51 603

* The sundry creditors as at December 31, 2014 include an amount of U.S. \$11 300 K which represents the employees and the Board of Directors share in the profits appropriation for the year 2014 which is in the process of being approved by the General Assembly.

21. Other Provisions

Description	31 / 12 / 2014					31 / 12 / 2013			
	Beginning Balance	Transferred	Provision no longer required	Formed (Used)	Year end balance	Beginning Balance	Transferred	Formed (Used)	Year end balance
Provision for claims	7 645	-	-	3 981	11 626	1 960	-	5 685	7 645
Provision for contingencies	5 919	(129)	(956)	-	4 834	5 167	(299)	1 051	5 919
Provision for general risks	2 200	-	-	-	2 200	2 200	-	-	2 200
Total	15 764	(129)	(956)	3 981	18 660	9 327	(299)	6 736	15 764

22. Share Capital

- The Issued and Paid-in Capital as at December 31, 2008 amounted to U.S. \$ 300 Million distributed over 15 000 ordinary shares of U.S.\$ 20 000 each.
- The ordinary General Assembly of the Bank that held its meeting on May 14, 2009 approved to increase the capital from U.S\$ 300 million to U.S\$ 600 million through the issuance of 15 thousand ordinary shares, the value of each is U.S \$ 20 thousand. On November 3rd, 2009 the amount of U.S \$ 150 million was called up and paid on November 23rd, 2009 thus the paid in capital became U.S\$ 450 million.

The subscribed share capital is as follows:

	No. of shares	Nominal Value	%
Arab Republic of Egypt	11 628	232 560	38.76
Libya	11 628	232 560	38.76
Abu Dhabi Investment Authority	3 751	75 020	12.503
State of Qatar	1 495	29 900	4.984
The Sultanate of Oman	747	14 940	2.49
International Capital Trading Co.	751	15 020	2.503
Total	30 000	600 000	100

23. Interest Income

	31 / 12 / 2014	31 / 12 / 2013
Loans and advances	59 065	53 960
Deposits with banks and other financial institutions	1 583	1 329
Other investments bearing interest	22 049	15 573
Total	82 697	70 862

24. Interest Expenses

	31 / 12 / 2014	31 / 12 / 2013
Customer's deposits	10 988	7 049
Deposits from banks and other financial institutions	7 114	8 377
Certificates of deposits	653	1 286
Total	18 755	16 712

25. Return on available for sale investments

	31 / 12 / 2014	31 / 12 / 2013
Profit from available for sale investments	5 065	315
Dividends received	616	642
Total	5 681	957

26. Other Operating Income (Net)

	31 / 12 / 2014	31 / 12 / 2013
Fees and commission income	13 154	12 975
Fees and commission expenses	(134)	(322)
Income from exchange transaction & translation differences	614	1 449
Other	720	874
Total	14 354	14 976

27. Pension fund

The Bank has a funded defined benefit contributory pension plan covering all full-time employees. The benefits provided by the plan are determined by the Board of Directors. The value of vested benefits according to the plan and the sufficiency of the reserve are determined annually by an Actuary.

On 8 December 2013, the Board of Directors of the Bank, approved the Voluntarily Early Retirement Plan based on the new conditions and benefits instead of the adopted regulations of the end of service compensation, social insurance and pension plan program through the complete withdrawal from the Bank and the Employees' Pension Fund (without pension) provided that the proposed benefits shall be granted pursuant to the insurance wage as at 31 December 2013. In addition, the Bank shall finance the Employees' Pension Fund by a subordinated loan within the limit of US\$ 55 million that represents the difference between the total employees' benefits amounts after being granted the additional benefits of the Voluntarily Early Retirement according to the regulations and the actuarial pension reserve allocated for such age categories.

The settlement of the subordinated loan occupies the second priority after the fulfillment of the Fund's obligations that are established upon the actuarial calculations while taking into consideration that the balance of the subordinated loan is included in the assets of the Fund that are allocated for the fulfillment of its obligations.

The balance of the subordinated loan before amortization amounted to US\$ 23 160 thousand as at 31 December 2014. The share of the year of the surplus resulting from the implementation of the Voluntarily Early Retirement Plan as at 31 December 2014 was calculated and amounted to US\$ 4 965 thousand, hence, the subordinated loan granted to the Employees' Pension Fund was reduced by the same amount of the surplus share for the year.

The pension reserve fund on December 31, 2014 amounted to US\$ 125 million corresponding to US\$ 136.3 million as at December 31, 2013. The actuary's report stated that there is no deficit in the pension reserve fund on December 31, 2014, after the completion of the realized actual investment return difference that amounted to US\$ 3 982 million in order to reach the minimum limit that should be achieved at a rate of 7% of the total reserve fund.

The pension reserve fund was re-calculated using an interest rate of 3% instead of 7% and Actuary's opinion resolved to not need to immediate support to the pension fund (instead of US\$10.5 million that was calculated based on an investment rate of 7%) and the settlement of realized actuarial deficit amounting to US\$ 51 million to be settled in one payment of to be settled as annual payments according to a time-table determined by the management of the bank.

The management of the Bank was of the opinion that a provision amounting to US\$ 3.982 million should be formed as at 31 December 2014 until wrapping up the reconsideration process of the Return on investment required to be realized and its system shall be guaranteed by the Bank.

28. Related party transactions

In the ordinary course of business, the Bank conducts transactions with shareholders, associates and other related parties. All the loans and advances to related parties are performing loans and advances and are free of any provision for possible loan losses.

The year end balances with related parties in the financial statements as at December 31, 2014, are as follows:

	*WTC	*SAIB	* SCB	Staff Pension fund	Libyan foreign Bank	Suez Canal *Co.	Total
Loans and advances	-	50 000	-	18 195	-	33 726	101 921
Debit deposits	-	30 000	-	-	-	-	30 000
Credit deposits	11 140	50 000	-	-	318 117	-	379 257
Credit balances	4	3 974	2 855	91 926	162	-	98 921
Debit balances	-	146	117	-	109	-	372
Mutual funds	-	2 512	-	-	-	-	2 512
Contra accounts	-	3	1 081	-	11 824	-	12 908

* See note (13)

29. Commitments and contingent liabilities

This item includes commitments to provide credit facilities, issue L/G's and guarantees to meet the needs of the Bank's clients. These liabilities do not represent any extraordinary risks after deducting the cash margins for L/C's and L/G's and they are detailed as follows:

	31 / 12 / 2014	31 / 12 / 2013
Letters of credit	164 953	131 667
Letters of guarantee & facilities	151 637	157 229
Commitments for loans	36 140	50 871
Total	352 730	339 767

30. Effective interest rate for assets and liabilities

December 31/2014	Within one month	Within 1-3 months	Within 3-6 months	Within 6-12 months	Within 1-5 years	Over 5 years	Non-interest bearing	Total	Effective interest rate %
Assets									
Cash	-	-	-	-	-	-	33 877	33 877	-
Balances with banks	63 852	-	-	-	-	-	-	63 852	0.19
Treasury bills	117 788	344 767	3 829	194 174	-	-	-	660 558	2.97
Investments in associates	-	-	-	-	-	-	489 141	489 141	-
Available for sale investments	-	-	-	4 967	10 267	-	35 130	50 364	1.56
Trading investments	-	-	-	-	-	-	-	-	-
Due from banks	242 724	56 184	4 669	-	-	-	-	303 577	0.37
Loans to customers & banks	235 278	440 683	319 949	-	286 831	64 329	-	1 347 070	4.20
Held to maturity investments	-	-	-	86 854	-	19 637	-	106 491	4.77
Other	-	-	-	-	-	-	88 333	88 333	-
Total	659 642	841 634	328 447	285 995	297 098	83 966	646 481	3 143 263	-
Liabilities & shareholders' equity									
Customer Deposits	913 492	263 150	192 984	108 942	211 593	-	-	1 690 161	0.65
Due to banks	236 422	220 659	50 000	-	-	-	-	507 081	1.22
Certificates of deposits	2 137	4 100	23 137	21 502	44 864	-	-	95 740	0.60
Other	-	-	-	-	-	-	58 182	58 182	-
Shareholders' equity	-	-	-	-	-	-	792 099	792 099	-
Total	1 152 051	487 909	266 121	130 444	256 457	-	850 281	3 143 263	-
Net position as of 31/12/2014	(492 409)	353 725	62 326	155 551	40 641	83 966	(203 800)	-	-

December 31/ 2013	Within one month	Within 1-3 months	Within 3-6 months	Within 6-12 months	Within 1-5 years	Over 5 years	Non-interest bearing	Total	Effective interest rate %
Assets									
Cash		-	-	-	-	-	45 086	45 086	-
Balances with banks	166 833		-			-	-	166 833	0.13
Treasury bills	102 477	48 159	-	280 685	-	-	-	431 321	3.25
Investments in associates	-	-	-	-		-	478 989	478 989	-
Available for sale investments	-	-	-	-	13 817	-	38 293	52 110	1.78
Trading investments	-	-	-	-	-	-	35 948	35 948	
Due from banks	453 239	31 334	4 465	-	-	-	-	489 038	0.23
Loans to customers and banks	256 922	497 659	191 791	2 670	72 957	330 451	-	1 352 450	3.94
Held to maturity investments	-	-	-	-	11 996	19 581	-	31 577	5.92
Other	-	-	-	-	-	-	97 550	97 550	-
Total	979 471	577 152	196 256	283 355	98 770	350 032	695 866	3 180 902	
Liabilities & shareholders' equity									
Customer Deposits	945 606	308 691	227 285	156 085	-	-	-	1 637 667	0.43
Due to banks	403 497	48 160	50 000	100 000	-	-	-	601 657	1.45
Certificates of deposits	3 208	3 192	3 515	6 480	105 989	-	-	122 384	0.97
Other	-	-	-	-	-	-	67 367	67 367	-
Shareholders' equity	-	-	-	-	-	-	751 827	751 827	-
Total	1 352 311	360 043	280 800	262 565	105 989	-	819 194	3 180 902	
Net position as of 31/12/2013	(372 840)	217 109	(84 544)	20 790	(7 219)	350 032	(123 328)	-	

31. Geographical distribution of assets , liabilities and off balance sheet items

	31 / 12 / 2014			31 / 12 / 2013		
	Assets	Liabilities and Shareholders' equity	Off balance sheet items	Assets	Liabilities and Shareholders' equity	Off balance sheet items
Arab World	2 981 602	3 084 003	329 313	2 805 005	3 123 984	309 591
Europe	66 869	12 331	14 558	188 193	4 002	18 383
Asia	441	6 816	8 781	528	7 220	9 980
North American	62 643	639	78	131 740	1 505	732
Latin American	285	12	-	231	11	-
Other	31 423	39 462	-	55 205	44 180	1 081
Total	3 143 263	3 143 263	352 730	3 180 902	3 180 902	339 767

32. Maturities of Assets and Liabilities in Currencies

31 / 12 / 2014							
U.S.Dollars	Within one month	Within 1-3 months	Within 3-6 months	Within 6-12 months	Within 1-5 years	Over 5 years	Total
Assets	548 094	723 971	304 967	150 786	360 073	615 520	2 703 411
Liabilities	(901 481)	(430 791)	(219 392)	(97 007)	(248 954)	(58 182)	(1 955 807)
Equity	-	-	-	-	-	(792 099)	(792 099)
Other currencies							
Assets	145 425	117 663	23 480	135 209	17 490	585	439 852
Liabilities	(250 570)	(57 118)	(46 729)	(33 437)	(7 503)	-	(395 357)
Total							
Assets	693 519	841 634	328 447	285 995	377 563	616 105	3 143 263
Liabilities	(1 152 051)	(487 909)	(266 121)	(130 444)	(256 457)	(58 182)	(2 351 164)
Equity	-	-	-	-	-	(792 099)	(792 099)

31 / 12 / 2013							
U.S.Dollars	Within one month	Within 1-3 months	Within 3-6 months	Within 6-12 months	Within 1-5 years	Over 5 years	Total
Assets	800 137	486 842	191 791	184 690	183 875	860 958	2 708 293
Liabilities	(1 062 112)	(288 989)	(227 561)	(226 764)	(87 812)	(67 367)	(1 960 605)
Equity	-	-	-	-	-	(751 827)	(751 827)
Other currencies							
Assets	224 420	90 310	4 465	134 613	9	18 792	472 609
Liabilities	(290 199)	(71 054)	(53 239)	(35 801)	(18 177)	-	(468 470)
Total							
Assets	1 024 557	577 152	196 256	319 303	183 884	879 750	3 180 902
Liabilities	(1 352 311)	(360 043)	(280 800)	(262 565)	(105 989)	(67 367)	(2 429 075)
Equity	-	-	-	-	-	(751 827)	(751 827)

33. Average interest rates

The average interest rates of instruments of assets and liabilities in major currencies on the balance sheet date are as follows:

31 / 12 / 2014	Within one month	Within 1-3 months	Within 3-6 months	Within 6-12 months	Over one year
U.S. Dollars	%	%	%	%	%
Assets	1.52	2.65	2.42	2.10	1.59
Liabilities	0.40	0.77	1.15	1.32	1.93
Sterling					
Assets	0.37	0.53	0.73	0.89	-
Liabilities	0.25	0.49	0.62	0.73	-
Euro					
Assets	0.29	1.24	2.26	1.68	0.57
Liabilities	0.05	0.15	0.31	0.44	0.51

31 / 12 / 2013	Within one month	Within 1-3 months	Within 3-6 months	Within 6-12 months	Over one year
U.S. Dollars	%	%	%	%	%
Assets	1.45	2.62	2.37	1.95	0.92
Liabilities	0.46	0.80	1.11	1.50	0.98
Sterling					
Assets	0.39	0.54	0.68	0.74	-
Liabilities	0.25	0.51	0.67	0.74	-
Euro					
Assets	0.34	1.01	1.95	1.65	0.68
Liabilities	0.06	0.19	0.32	0.42	0.61

34. Maturity for balance sheet items

The maturity analysis of assets and liabilities based on the remaining period to the contractual maturity date is as follows:

31 / 12 / 2014							
	Within one month	Within 1-3 months	Within 3-6 months	Within 6-12 months	Within 1-5 years	Over 5 years	Total
Assets							
Cash	33 877						33 877
Balances with banks	63 852	-	-	-	-	-	63 852
Treasury bills	117 788	344 767	3 829	194 174	-	-	660 558
Investments in associates	-	-	-	-	-	489 141	489 141
Available for sale investments	-	-	-	4 967	19 882	25 515	50 364
Trading investments	-	-	-	-	-	-	-
Due from banks	242 724	56 184	4 669	-	-	-	303 577
Loans to customers and banks	235 278	440 683	319 949	-	286 831	64 329	1 347 070
Held to maturity investments	-	-	-	86 854	-	19 637	106 491
Other	-	-	-	-	70 850	17 483	88 333
Total	693 519	841 634	328 447	285 995	377 563	616 105	3 143 263
Liabilities							
Customers' deposits	913 492	263 150	192 984	108 942	211 593	-	1 690 161
Due to banks	236 422	220 659	50 000	-	-	-	507 081
Certificates of deposits	2 137	4 100	23 137	21 502	44 864	-	95 740
Other	-	-	-	-	-	58 182	58 182
Shareholders' equity	-	-	-	-	-	792 099	792 099
Total	1 152 051	487 909	266 121	130 444	256 457	850 281	3 143 263
Net position as of 31/12/2014	(458 532)	353 725	62 326	155 551	121 106	(234 176)	-

31 / 12 / 2013							
	Within one month	Within 1-3 months	Within 3-6 months	Within 6-12 months	Within 1-5 years	Over 5 years	Total
Assets							
Cash	45 086	-	-	-	-	-	45 086
Balances with banks	166 833	-	-	-	-	-	166 833
Treasury bills	102 477	48 159	-	280 685	-	-	431 321
Investments in associates	-	-	-	-	-	478 989	478 989
Available for sale investments	-	-	-	-	23 439	28 671	52 110
Trading investments	-	-	-	35 948	-	-	35 948
Due from banks	453 239	31 334	4 465	-	-	-	489 038
Loans to customers and banks	256 922	497 659	191 791	2 670	72 957	330 451	1 352 450
Held to maturity investments	-	-	-	-	11 996	19 581	31 577
Other	-	-	-	-	75 492	22 058	97 550
Total	1 024 557	577 152	196 256	319 303	183 884	879 750	3 180 902
Liabilities							
Customer's deposits	945 606	308 691	227 285	156 085	-	-	1 637 667
Due to banks	403 497	48 160	50 000	100 000	-	-	601 657
Certificates of deposits	3 208	3 192	3 515	6 480	105 989	-	122 384
Other	-	-	-	-	-	67 367	67 367
Shareholders' equity	-	-	-	-	-	751 827	751 827
Total	1 352 311	360 043	280 800	262 565	105 989	819 194	3 180 902
Net position as of 31/12/2013	(327 754)	217 109	(84 544)	56 738	77 895	60 556	

35. Position of major currencies

	31 / 12 / 2014	31 / 12 / 2013
	Surplus (deficit)	Surplus (deficit)
US\$	(40 598)	(3 130)
EGP	45 004	6 651
Euro	(4 467)	(3 519)

36. Capital Adequacy

The risk asset ratios calculated in accordance with the capital adequacy guidelines established for the global banking industry are as follows :

	31 / 12 / 2014	31 / 12 / 2013
Tier 1 Capital		
Paid up capital	450 000	450 000
Statutory reserve	102 517	99 461
General reserve	73 582	73 582
Available for sale fair value reserve	-	-
Profit carried forward	51 900	36 620
Profit of the year	36 594	18 335
Total Tier 1	714 593	677 998
Tier 2 Capital		
General risks provision	33 180	28 557
Investments in associates fair value reserve	73 913	68 960
Available for sale fair value reserve	1 617	2 191
Total Tier 2	108 710	99 708
Total Tier1 & Tier 2	823 303	777 706
Less:		
Financial institutions	(250 241)	(240 069)
Non- financial institutions (over 15% of capital)	(7 656)	(15 442)
Loans	(50 000)	(50 000)
Net capital	515 406	472 195
Risk weighted		
Credit risk	3 325 423	2 938 469
Market risk	-	810 374
Operational risk	144 909	144 649
Off-balance sheet items	176 365	169 883
Total weighted risk	3 646 697	4 063 375
Capital Adequacy Ratio	14.13 %	11.62 %

37. Earning Per Share

	31 / 12 / 2014	31 / 12 / 2013
Net profit of the year before Board of Directors remunerations and employees profit share	47 894	30 554
Proposed Board of Directors' remunerations (pending General Assembly approval)	(2 410)	(2 147)
Employees profit share (pending General Assembly approval)	(8 890)	(10 072)
Net profit for the year	36 594	18 335
Weighted average number of shares	30 000	30 000
Earning per share	1.22	0.611

38. Number of employees

The number of persons employed by the Bank as at December 31, 2014 was 961 compared with 1 119 persons as at December 31, 2013.

39. Comparative figures

Certain comparative figures have been restated to conform with the current year presentation.

Statement of Financial Position

After appropriations approval of the General Assembly

As of December 31, 2014

	(Per Thousand US\$)	
	31/12/2014	31/12/2013
Assets		
Cash and balances with banks	97 729	211 919
Due from banks	303 577	489 038
Treasury bills	660 558	431 321
Financial assets held for trading	-	35 948
Available for sale investments	50 364	52 110
Loans and advances to customers & banks (Net)	1 347 070	1 352 450
Held to maturity investments	106 491	31 577
Investments in associates	489 141	478 989
Other assets	31 422	35 210
Investment properties	17 483	22 058
Property, plant and equipment (Net)	39 428	40 282
Total assets	3 143 263	3 180 902
Liabilities & Shareholders' equity		
Liabilities		
Due to banks	507 081	601 657
Customers' deposits	1 690 161	1 637 667
Certificates of deposits	95 740	122 384
Other liabilities	39 522	51 603
Other provisions	18 660	15 764
Total liabilities	2 351 164	2 429 075
Shareholders' equity		
Issued and fully subscribed capital	600 000	600 000
Paid-in capital	450 000	450 000
Statutory reserve	107 306	102 516
General reserve	73 582	73 582
Retained earnings	83 705	51 900
Available for sale investments fair value reserve	3 593	4 869
Investments in associates fair value reserve	73 913	68 960
Total shareholder's equity	792 099	751 827
Total liabilities & shareholders' equity	3 143 263	3 180 902

Fifth

Interconnection with the Bank

86 Assistant Managing Director
and General Managers

87 Branches' Managers

88 Addresses of The Bank Branches



Assistant Managing Director

Mr. Amr Bahaa

Assistant Managing Director
Treasury and Capital Markets
Financial institutions
Direct investments
Fax: 23963378

General Managers

Mrs. Nadia Ahmed Fouad

General manager Administrative Affairs and
Secretary General of the Bord of Directors
Fax: 23916356

Mr . Abdel Monsef M. Ali Awad

General manager –Information Technology
Fax: 35706308

Mr. Adel Helmy Elsaid Sallam

General manager – Internal Control
Fax: 35706481

Mr. Adel Salaheldin Amin Ezzat

General manager –Credit
Fax: 23933705

Mr. Sayed Said Ahmed Soliman

General manager – Central Operations
Fax: 22605859

Mr. Hesham Mohamed Hamdy

General manager – Risk Management
Fax: 35706478

Mr. Amr Mahmoud Atallah

General manager – Branches & Banking Services
Fax: 35706469

Mr. Gamal Zaghloul

General manager – Financial Control
Fax: 23916275

Mr. Ahmed Bahaa Eldin yousef

General manager - Compliance
Fax: 2394021 - 323962973

Mr. Amr Bakir

Deputy General manager
Internal Control
Fax: 35706207

Mrs. Inas Tantawy

Deputy General manager
Human Resorces
Fax: 23919302

Mr. Abdel Hamed Mohamed Al Zanaty

Deputy General manager
Supervisor - Legal affairs administration

Branches' Managers

Mrs. Khadiga Ahmed El Meteny

Deputy Manager – Cairo Main Branch
Fax: 23938179

• **Mrs. Navysa Megahed Abdel Rahman**

Manager (Charge d'affaires) – Tahrir Branch
From 17 / 7 / 2014
Fax: 35695541

• **Mr. Ayman Ahmed Younes**

Manager (Charge d'affaires) – Heliopolis Branch
From 14 / 7 / 2014
Fax: 22900261

Mr. Hussein Moheb Kandeil

Manager – Mohandessin Branch
Fax: 33029651

Mr. Mohamed Hussien Safwat

Manager (Charge d'affaires) – Nasr City Branch
From 6 / 4 / 2014
Fax: 24034904

Mr. Wail Shamel Ismail

Manager (Charge d'affaires) – 6 of October Branch
From 18 / 2 / 2014
Fax: 38362148

Mrs. Nevien Youssef Ahmed Fawzi

Manager (Charge d'affaires) – Alexandria Branch
Fax: 03 - 4873328

Mr. Khaled Abdel akhar

Manager (Charge d'affaires) – Port Said Branch

Amendments done through the year

• **Mohamed Elalfy**

Manager (Charge d'affaires) – Tahrir Branch
until 17 / 7 / 2014

• **Mrs. Wedad Aziz Youssef Saad**

Manager – Heliopolis Branch
until 14 / 7 / 2014

Addresses of TheBank Branches

Head Office

35 Abdel Khalek Sarwat Street, Cairo , A.R.E

P.O. Box : 1563 P. Code : 11511 Cable Address : ARABINBANK

Fax : 23916233 – 23912319

Telephone : 23918794 – 23916391 - 23916492 – 23916120

Swift : ARIBEGCX 001

Cairo Main Branch

35 Abdel Khalek Sarwat Street, Cairo , A.R.E

P.O. Box : 1563 P. Code : 11511 Cable Address : ARABINBANK

Fax : 23916233 – 23912319

Telephone : 23918794 – 23916391 - 23916492 – 23916120

Swift : ARIBEGCX 007

Tahrir Branch

5, Wisa Wasef Street, EL- Riyadh Tower, Giza, A.R.E

P.O. Box : 488 AL-Orman Zip Code: 12612 Cable Address: ARABINBANK

Fax : 35695541 - 35695542

Telephone : 35695532 - 35695525

Swift : ARIBEGCX 003

Heliopolis Branch

95 A Merghani Street, Heliopolis, Cairo, A.R.E

P.O.BOX : 170 Heliopolis

Fax : 24173524

Telephone : 22902491 -22902069 – 22907592

Swift : ARIBEGCX 005

Mohandessin Branch

60 Mohamed Hassan Helmi (Ex Gueziret El Arab Street), A.R.E

P.O.BOX : 273 Imbaba - Giza

Fax : 33029651

Telephone : 33029647 – 33029648 – 33029649

Swift : ARIBEGCX 008

Nasr City Branch

77 B, Nasr City Road, Nasr City, Cairo, A.R.E

P.O.BOX : 1563

Fax : 22606321

Telephone : 22605914 – 22606359

Swift : ARIBEGCX 004

Alexandria Branch

2 El Horreya Avenue, Alexandria, A.R.E

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TELX : AIBLX UN 55457

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Telephone : (03) 4869681 - 4806432

Swift : ARIBEGCX 002

Port Said Branch

23 July & Salah El Din Street, Port Said , A.R.E

P.O.BOX : 42511

Fax : (066) 3225908

Telephone : (066) 3223739 – 3336653

Swift : ARIBEGCX 006

6th October Branch

Inside 6th October University, The Central Axis, Giza, A.R.E.

P.O.BOX : 1563 Zip Code : 11511 Cable Address: ARABINBANK

Fax/ Telephone : 38362148

Swift : ARIBEGCX 007

International Markets

Capital Markets

Fax : 23902084

Telephone : 23955068 - 23925736

Money Markets

Telephone : 23917893 – 23927794 - 23934416

AIBC : Page on the Monitor

AICE : Reuter Dealing Code

Central Operations

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-Central Swift

- Credit Card Center

- Foreign Trade

- Credit Operations

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Telephone : 22605914 – 22605958

Swift : ARIBEGCX 004

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