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First

General View

A Letter From
The Executive Management

Upon the commencement of a new year, we are highly honored and proud to affirm that the year 2015 was full of successes and achievements made by The Arab International Bank and established upon the family of its professional, highly experienced and extremely devoted employees.

We can confidently acknowledge that the year 2015,is the year that empowered the Bank and enhanced its readiness to move forward towards the future prospects as it has represented the starting point of using the Egyptian Pound as the functional currency for the first time since the establishment of the Bank in 1974.

It is worth noting that the year 2015 has been characterized by a remarkable standing in the history of the Bank since it has witnessed a steady growth of revenues, upsurge in the number of customers and a notable increase in operations in spite of the challenges encountering the banking sector in general.

The following represents a brief of the most prominent and recent economic developments on the international and domestic levels in addition to the most significant performance indicators of our Bank during the financial year ended as at December31, 2015.

First: The Global Economy

The global economy activities has maintained a fragile pace during the year 2015 as growth in emerging markets and developing economies has declined for the fifth year in a row, while the recovery remained limited in the advanced economies.

There have been three significant changes still affecting the global markets. The said changes are represented in (1) The sluggish economic activity in China and the measures adopted to regain its gradual rebalance of growth away from investment and manufacturing industries toward consumption and services instead (2)The decline in energy prices and other commodities(3)The United States monetary policy trend recently endorsed to the effect of raising the interest rates founded on the United States solid economic recovery while the central banks in several other major advanced economies maintained adopting the policy of lowering the interest rates to motivate growth.

The experts expect a growth increase in the advanced economies amounting to 0.2 % in 2016 to reach the rate of 2.1% while the growth shall keep being sluggish in a similar pattern in 2017. The macroeconomics shall maintain solid in the USA due to the support provided by the accommodative monetary policies, housing markets, unemployment rates and improving market growth.

Nonetheless, the dollar strength is shouldering its burdens on the manufacturing industry activity while the declining oil prices are limiting the investments in petroleum and mining industries especially in the field of shale oil.

In Euro zone, the private consumption is increasing due to the support given by the decreasing oil prices and low interest rate policy that made up for the reduction in net exports. Meanwhile, In Japan, the pickup in growth is anticipated in the year 2016 based on the momentum of fiscal stimulus, low oil prices, accommodative monetary policies and escalating incomes.

In emerging market and developing economies, potential growth increased from 4% in 2015 - a percent that represented the least rate of increase since the global financial crisis that occurred in 2008 – 2009 to reach an expected increase of 4.3% and 4.7% in 2016 and 2017 respectively. It is also anticipated that the growth in China shall slowdown, mainly as a result of weak growth in investments. In addition, most expectations with respect to India and the rest of the emerging Asian countries are pointing out that they will keep moving forward in strong rates of growth while taking into consideration that such strong rates of growth will not make up for the Chinese economic sluggishness.

The current expectations with regard to Latin America and the Caribbean Countries also indicate that there is a downswing in the Aggregate Gross Domestic Product in 2016 in spite of being in a rate that is less than 2015 and despite the positive growth in most countries of the region. After all, such downturn is attributed to the recession in Brazil that represents the largest major economy in the region and in other countries that are going through economic distress that may turn into a state of sociopolitical instability. Growth in the Middle East is projected to increase but the low prices of oil in addition to geopolitical tensions and domestic strife in a number of countries will remain negatively affecting the future economic outlook.

As for Russia, it will remain under the stress of recession in 2016 while it shall maintain adjusting with the low prices of oil and the sanctions imposed by the West due to the ongoing crisis in Ukraine while the other economies of the Commonwealth of Independent States are drifted by the stream of recession, geopolitical tensions and in some cases they are affected by the aspects of internal structure weakness in addition to the low prices of oil.

Second: The Economy of TheHost Country

The Egyptian economy has encountered various stringent challenges since January 2011 and the effects accompanying the long term of the transition period are still casting their shadows on the economy performance and its diverse indicators in addition to its capability of growth at normal rates of recovery.

Nevertheless, the Egyptian economy proved solidity in face of domestic, regional and international challenges, the matter that contributed in maintaining Egypt credit rating when taking into account that Fitch Ratings has affirmed Egypt's long – term foreign and local currency Issuer Default Ratings (IDR) at "B" with a Stable Outlook.

Most of the macroeconomic performance indicators projected a relative improvement during the current financial year as the economic growth rates pickup reached approximately 5.6% during the first half of the current financial year corresponding to 1.2% during the same period of the previous financial year, in addition, the commencement of decline in unemployment rates to reach approximately 12.9% in December 2014 corresponding to 13.4% in last June with a reduction in inflation rates average to reach approximately 10.6% during the period from July to February 2014/2015 corresponding to10.8% during the period from July to February 2013/2014 while the fragile cash flows in foreign currencies kept representing an ongoing pressure on the Egyptian Pound amid the constant attempts and efforts exerted by the Central Bank of Egypt to adopt a balancing monetary policy primarily aiming at achieving market stability and providing growth support.

Third: The Bank

The change process of rendering services in Egyptian Pound has added a great value to the domestic Bank operations, especially when we take into consideration that such operations are currently participating in the Gross Revenues of the Bank.

The said change of rendering services in Egyptian Pound has played a significant role in signifying and giving special prominence to our vision that is aiming at making our Bank as one of the leading and pioneer banks in the Egyptian market.

It is also worth mentioning that the change process made the opportunity available to modernize our services and start rendering them to our customers through diverse channels, meanwhile, we have actually reaped the benefits of this step whereas the financial outcomes accomplished by the Bank during the year 2015, satisfied the ambitions and goals we kept in mind at the beginning of the year where the annual revenues have soared this year to be at the rate of 17.3% with an amount of US$ 141.3 million and the net profits went up from US$ 47.9 million to reach the amount of US$ 59.4 million that represents a growth rate of 24%.

Keeping up with our strategy, which targets the creation of a value added to our shareholders, the Board of Directors of the Arab International Bank recommended the appropriation of total cash dividends equivalent to 5% of the paid in capital.

We are extremely confident that the growth of the Bank in the Egyptian market will guarantee long-term success and augment the levels of credit entrusted in us by our customers at the same time and in a manner, which permits us to be the most trusted partner in this market as well.

By all means, the year 2016 will be a prominent milestone in enhancing the foundations of growth and gains we realized during the previous year.

As we are moving forward in full swing, the Bank will maintain being involved in numerous investments targeting profitability and value added in a manner attaining the benefit and interest of both the shareholders and society.

As any huge and reputable institution, we are aware that we will run into a large number of challenges and impediments in our Bank that might limit the efforts exerted to carry out the required changes in the markets we are working in, however, we are quite certain that we are capable of encountering and overcoming any hurdles based on our track record whether through our distinguished services, innovative solutions, skills and expertise or the efficiency of our employees.

On this momentous occasion, we would like to express our deep feelings of gratitude to the Central Bank of Egypt for its endless and unlimited support provided to us throughout our path of business in which we have sought to strengthen our standing in the banking sector and among the financial institutions working in Egypt.

In this regard, we would like to express our appreciation tothe Libyan Foreign Bank, its shareholders and customers for their everlasting support, ongoing and constant trust in the banking services and products provided to them by our Bank.

The year 2015 has been undoubtedly, a distinguished turning point and a salient milestone for the Bank as we continued working on strengthening our standing in the Egyptian banking market.

Taking into consideration, the experiences and the great competencies that our staff enjoys in addition to the perpetual support and sincere cooperation of our customers, we are quite confident that the financial year 2016 will be a new year during which more enormous successes and achievements will be perfectly accomplished.

The Executive Management


42 Years
Supporting the Egyptian Economy
42
Arab International Bank takes pride in supplying the Egyptian Economy with all commercial banking and financial services related to Economic development and International Trade.
AIB
المصرف العربي الدولي
19604
Trusted Partner

Arab International Bank
Head Office
35 Abdel Khalek Sarwat Street,
Cairo, A.R.E

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 .

It has been taken to activate this amendment procedures as of April 2015 .

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
State General Reserve Fund of 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
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
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
Mr. Tarek Fayed	Member of the Board of Directors (since 4 February 2015)

Adjustments are made to the Board during the year:

Mr. Nedal Assar	Member of the Board of Directors (until 4 February 2015)

The Most Significant Financial Information & Indications

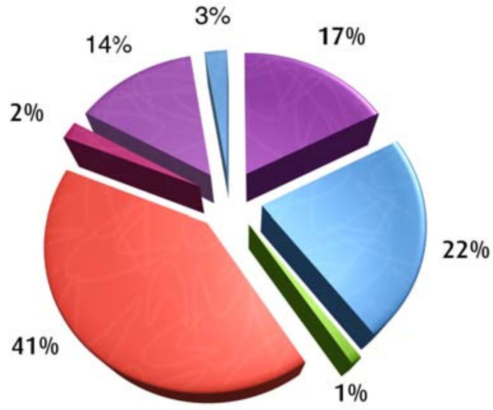
(US $ Thousands)

Description	2015	2014	2013
Income Statement Items			
Total operating income	106 052	92 731	85 464
Total operating expenses	(38 167)	(41 116)	(43 881)
Profit before provisions	67 885	51 615	41 583
Provisions	(8 461)	(3 721)	(11 029)
Net profit	59 424	47 894	30 554
			(US $ Milion)
Financial Position Items			
Total assets	3 543	3 143	3 181
Placement with banks & Financial Institutions	619	401	701
Net loans and advances	1 439	1 349	1 352
Treasury bills	790	661	431
Marketable securities	107	157	120
Direct investments	496	489	479
Customers' deposits	1 944	1 786	1 760
Shareholders' equity	848	803	764
Ratio (%) Highlights	%	%	%
Assets quality			
Total assets growth rate	12.74	(1.18)	1.77
Loans Provision to gross loan	7.41	7.39	9.88
Loans Provision to non-performing loans	74.41	124.81	125.89
Capital Adequacy			
Total equity growth rate	5.52	5.11	1.33
Total equity to total assets	23.93	25.56	24.02
Liquidity			
Net loans to total deposits	54.25	58.82	57.27
Net loans to total customers' deposits	74.01	75.52	76.84
Total Customers' deposits to total deposits	73.30	77.89	74.52
Liquid assets to total assets ratio	39.79	33.79	35.60
Profitability			
Operating Income on average assets	3.23	2.89	2.70
Return to average equity	7.20	6.11	4.01
Return to paid in capital	13.21	10.65	6.80

Assets Breakdown

Cash & Cash at Banks	619,314
Treasury Bills	790,422
Available for Sale Investments	35,401
Trading Portfolio	0
Loans & Advances	1,438,551
Held to Maturity	72,440
Investments in Associates	496,116
Others	91,196
	3,543,440

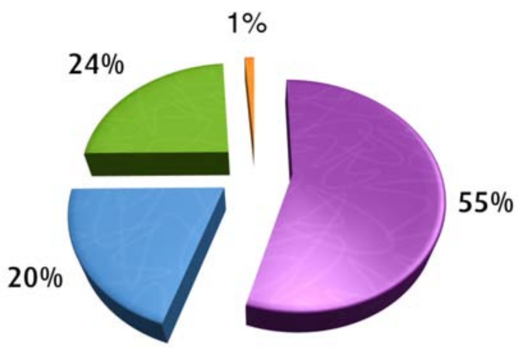
Assets Breakdown



Resources Breakdown

Customers Deposits	1,943,896
Banks Deposits	708,050
Shareholders Equity	847,681
Others	43,813
	3,543,440

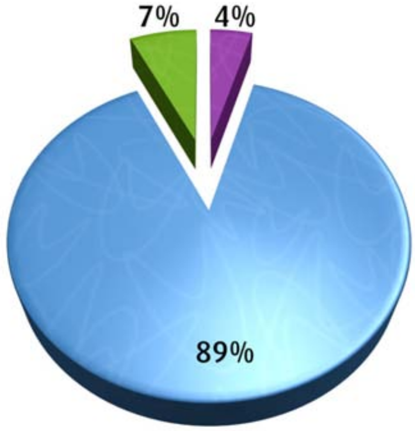
Resources Breakdown



Net Loans & Advances by Type

Customers	62,991
Corporate Finance	1,275,560
Banks	100,000
	1,438,551

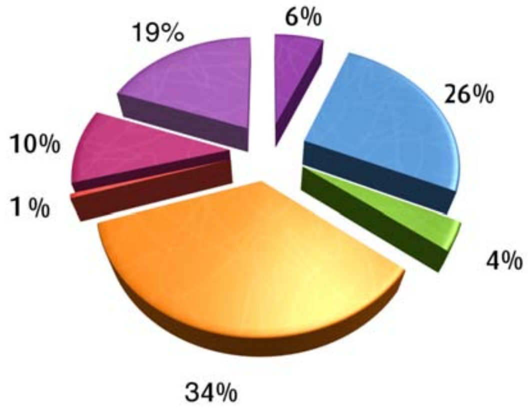
Net Loans & Advances by Type



Distribution of Gross Loans According to Sectors

Financials	101,108
Industrial	414,185
Commercial	58,780
Petroleum	558,171
Real State	9,238
Governmental	163,071
Others	312,046
	1,616,599

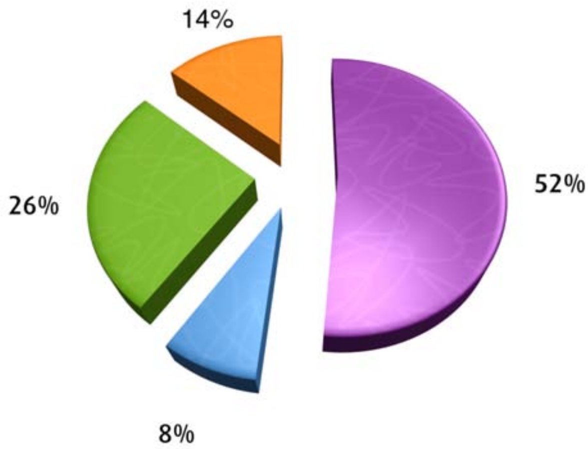
Distribution of Gross Loans According to Sectors



Associates by Sectors

Financial Institutions	256,846
Tourism	39,475
Commercials & Industrial	131,417
Technology & Education	68,378
	496,116

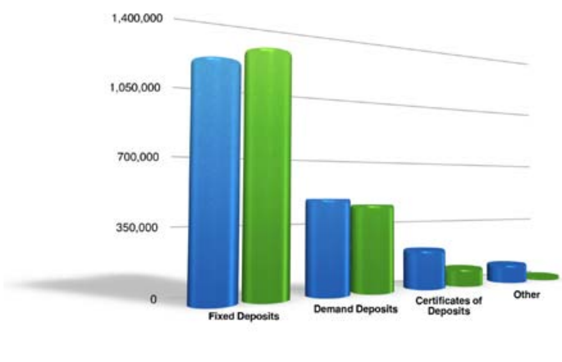
Associates by Sectors



Customers Deposits

	Dec/15	Dec/14
Fixed Deposits	1,143,163	1,214,196
Demand Deposits	488,814	457,028
Certificates of Deposits	209,254	95,740
Other	102,665	18,937
	1,943,896	1,785,901

Customers Deposits

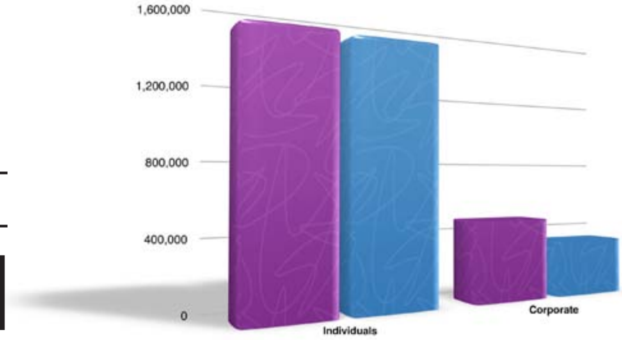


Distribution of Customers Deposits by Client Type

	Dec/15	Dec/14
Individuals	1,471,218	1,453,946
Corporate	472,678	331,955
	1,943,896	1,785,901

31 Dec 2015
31 Dec 2014

Distribution of Customers Deposits by Client Type

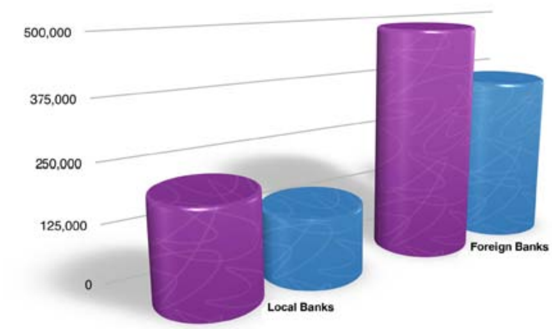


Distribution of Interbanks Deposits by Region

	Dec/15	Dec/14
Local Banks	217,157	147,954
Foreign Banks	490,893	359,127
	708,050	507,081

31 Dec 2015
31 Dec 2014

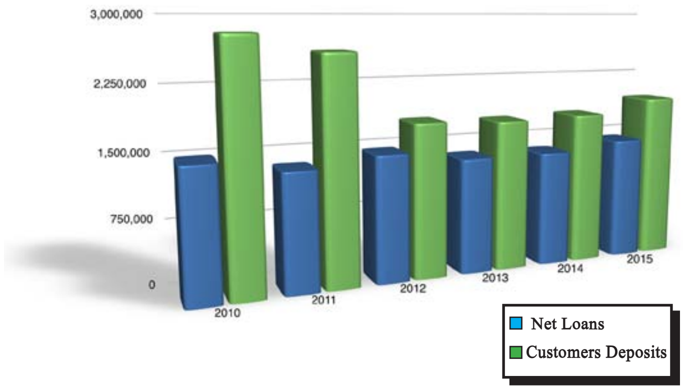
Distribution of Interbanks Deposits by Region



Net Loans versus Customers Deposits

	Net Loans	Customers Deposits
2010	1,503,608	2,808,089
2011	1,363,418	2,602,956
2012	1,462,405	1,794,840
2013	1,352,450	1,760,051
2014	1,348,606	1,785,901
2015	1,438,551	1,943,896

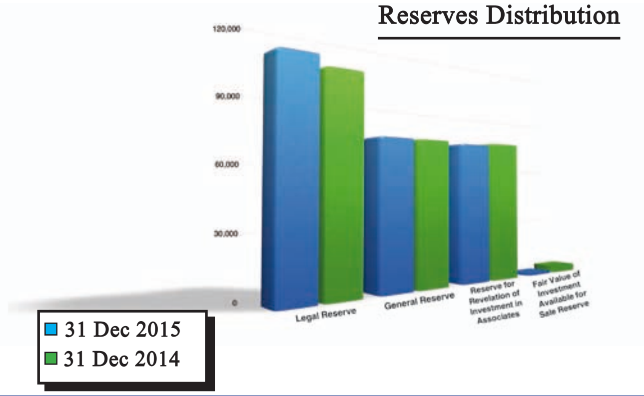
Loans versus Deposits



Reserves Distribution

	Dec/15	Dec/14
Legal Reserve	107,306	102,516
General Reserve	73,582	73,582
Reserve for Revelation of Investment in Associates	72,631	73,914
Fair Value of Investment Available for Sale Reserve	1,034	3,593
	254,553	253,605

Reserves Distribution



Second

Board Of Directors' Report

Board Of Directors' Report

On The Activities Of The Bank For
The Year Ended as at 31/ 12/ 2015

First: Financial Position

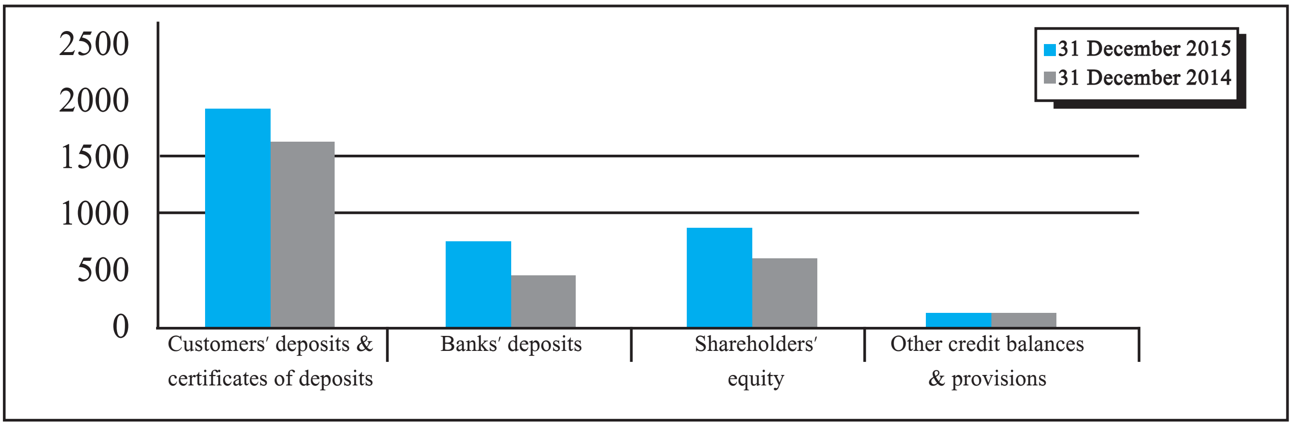
The financial statements of the Bank were prepared in accordance with the International Financial Reporting Standards (IFRS) until the end of the year 2014 and starting from the year 2015, the said financial statements were prepared in conformity with the regulation of preparing and presenting the financial statements of the banks issued by the Central Bank of Egypt (CBE) as at December 16th, 2008 , however, such change has not resulted in variation in the book value of assets, liabilities and equity with respect to the previous years. The said financial statements were audited by external auditors in accordance with the Egyptian Accounting Standards and they issued an 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 31st, 2015, its financial performance and its cash flows for the year then ended.

(1) The Resources:

The total amount of resources as at December 31, 2015 amounted to US$ 3 543 million corresponding to US$ 3 143 million as at December 31, 2014 with an increase of US$ 400 million. The following table shows the sources of such resources:

Per Million US$

Resources	31 December 2015		31 December 2014		Change (-)/ +
	Value	%	Value	%	Value
Customers' deposits & certificates of deposits	1 944	55	1 786	57	158
Banks' deposits	708	20	507	16	201
Shareholders' equity	847	24	803	25	44
Other credit balances & provisions	44	1	47	2	(3)
Total	3 543	100	3 143	100	400



(A) Shareholders' Equity

The total shareholders' equity as at December 31, 2015 amounted to US$ 847 million corresponding to US$ 803 million, as at December 31, 2014 at an increase amounting to US$ 44 million .Hereunder is an analysis of the shareholder's equity items as at December 31, 2015 & December 31, 2014:

Per Million US$

Item	31 December 2015	31 December 2014	Change (-)/ +
	Value	Value	Value
Paid- in capital	450	450	-
Reserves	180	176	4
Revaluation differences of financial investments available for sale	1	3	(2)
Change in equity of associates	73	74	(1)
Retained earnings	84	52	32
Net profit of the year	59	48	11
Total	847	803	44

(A/1) Available For Sale Investments Revaluation Differences

Available for sale investments revaluation differences are represented in the profits gained from revaluation of outstanding available for sale investments amounting to US$ 1 million as at December 31, 2015.

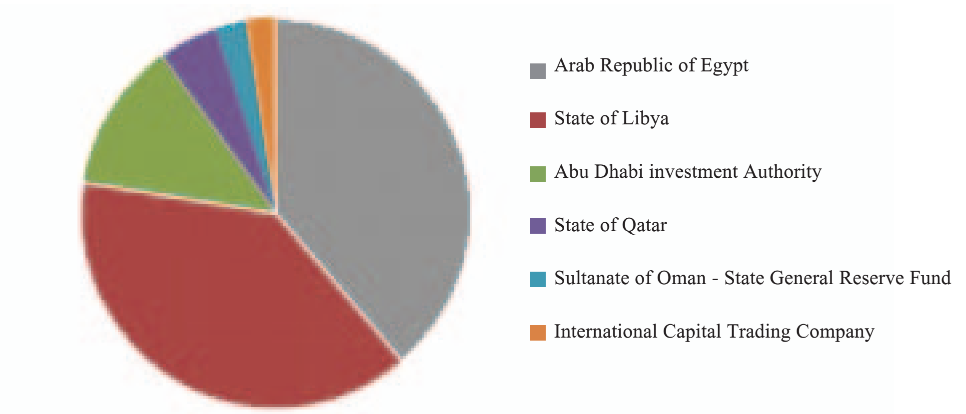
(A/2) Capital

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 through the 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 - State General Reserve Fund	747	14 940	2.49
International Capital Trading Company	751	15 020	2.503
Total	30 000	600 000	100

Number of Shares



- The Bank maintained a strong ratio of capital adequacy as at December 31, 2015 amounted to 15.65% 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, 2015 amounted to US$ 1 944 million corresponding to US$ 1 786 million as at December 31, 2014 with an increase of US$ 158 million at a rate of increase of 9% as the increase rate in financial organizations and institutions deposits reached 42% while the increase in the retail deposits reached the rate of 1% and the increase in the certificates of deposits reached 118%.

The interests paid in return for customers' deposits as at 31 December 2015 amounted to US$ 25 million corresponding to US$ 11.6 million as at 31 December 2014 at an average interest rate that reached 1.4% during the current financial year while corresponding to 0.60% during the comparative year. The said increase is due to the commencement of carrying out transactions in Egyptian Pound as of March 2015.

(B/2) Placements from Banks

The Placements from Banks as at December 31, 2015 amounted to US$ 708 million corresponding to US 507 million as at December 31, 2014 with an increase amounting to US$ 201 million at a rate of increase of 40 % when compared to last year. The interest paid on Placements from Banks as at December 31, 2015 amounted to US$ 7.9 million at an average interest rate amounted to 1.46 % corresponding to US$ 7.1 million as at December 31, 2014 at an average interest rate of 1.22 %.

(C) Other Credit Balances &Provisions

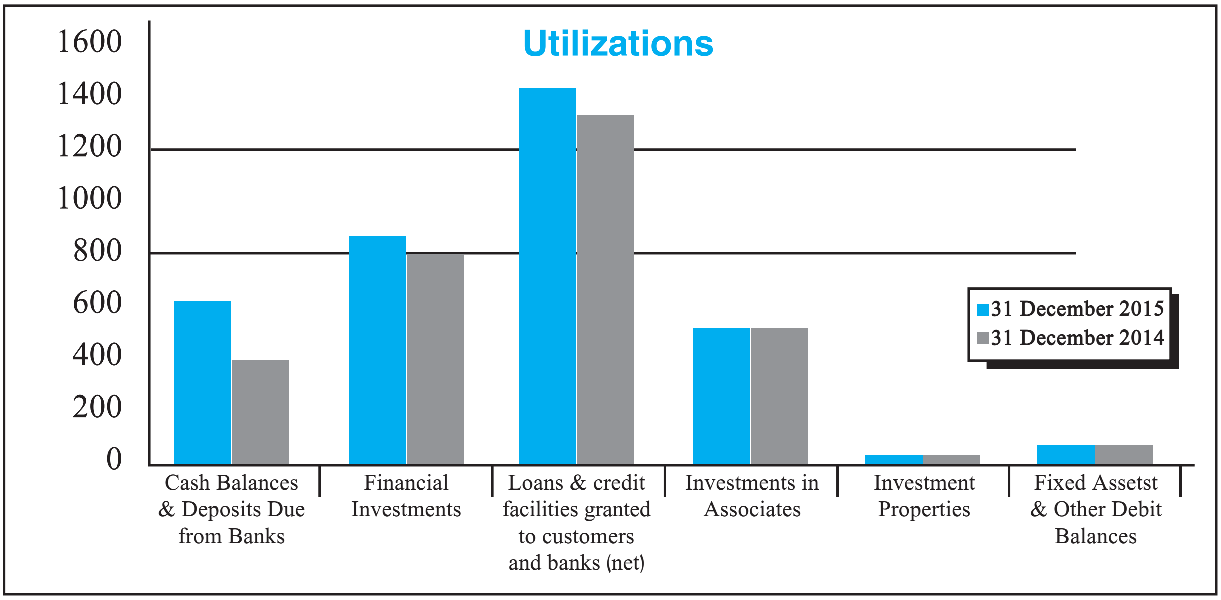
The Total amount of other credit balances &provisions as at December 31, 2015 amounted to US$ 43.8 million corresponding to US$ 46.8 million at a decrease amounted to US$ 3 million. The said decrease is due to an amount of US$ 1.4 million that represented the annual increase of the installment due to the Employees' Fund in addition to a decrease of US$ 2.6 million that represented suspense amounts of corporate loans that had no amounts in return this year while having an amount of US$ 1 million as an increase in suspense amounts (inheritance).

(2) Utilizations

The total utilizations as at December 31, 2015 amounted to US$ 3 543 million corresponding to US$ 3.143 million as at December 31, 2014 at an increase amounted to US$ 400 million. Such utilizations were distributed as follows:

Per Million US$

Utilizations	31 December 2015		31 December 2014		Change (-)/ +
	Value	%	Value	%	Value
Cash balances & deposits due from banks	619	17.5	401	13	218
Financial investments	875	25	792	25	83
Loans & credit facilities granted to customers and banks (net)	1 439	41	1 349	43	90
Investments in associates	519	14	515	16	4
Investment properties	17	0.5	17	1	-
Fixed assets & other debit balances	74	2	69	2	5
Total	3 543	100	3 143	100	400



(A) Cash Balances & Deposits Due From Banks

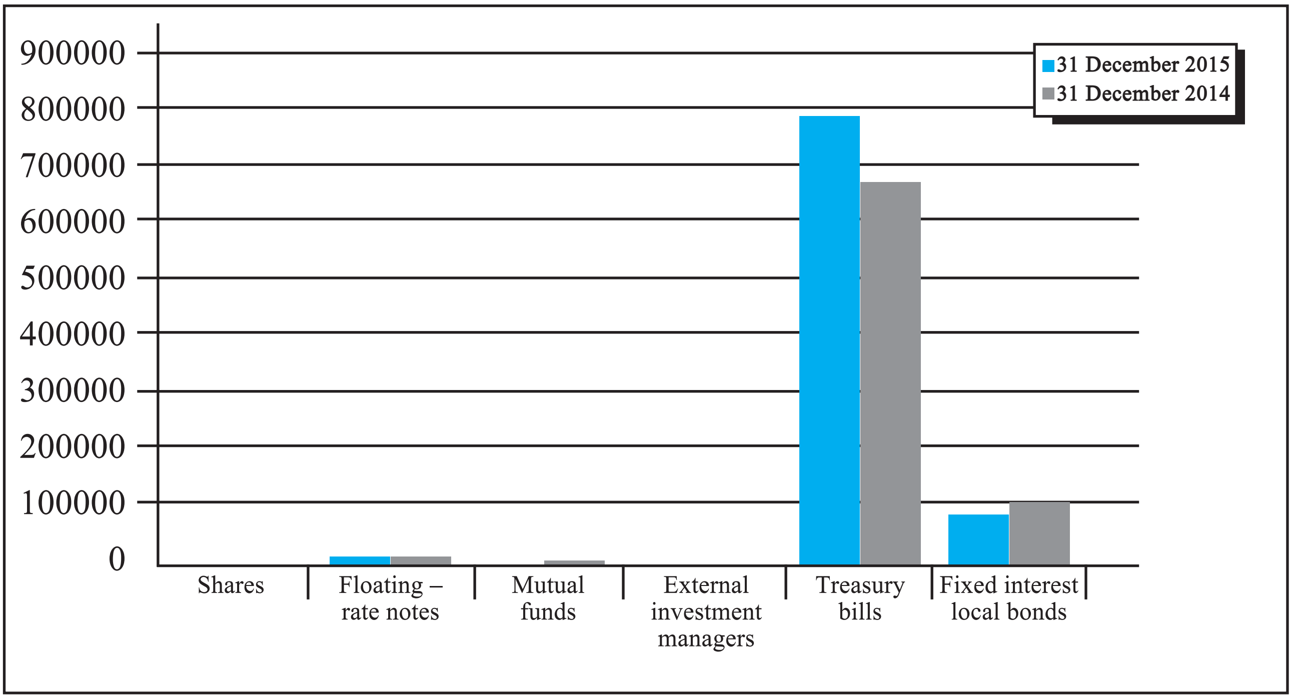
Cash balances and deposits due from banks as at December 31, 2015 amounted to US$ 619 million corresponding to US$ 401 million as at December 31, 2014 with an increase of US$ 218 million at an increase rate of 54%(including the deposit of an amount equivalent to US$ 18 million that represented balances placed at The Central Bank of Egypt within the percentage of the statutory reserve in Egyptian Pound). The percentage of the said balances as at December 31, 2015 amounted to 32% of the volume of customers' deposits corresponding to 22% as at December 31, 2014.

(B)Financial Investments

The balances of financial investments available for sale held to maturity in addition to treasury bills as at December 31, 2015 amounted to US$ 875 million corresponding to US$ 792 million as at December 31, 2014 with an increase of US$ 83 million. The value of such investments represents 25% of the total assets as at December 31, 2015 and as at December 31, 2014 as well. The following represents the components of the said investments as at December 31, 2015/ 2014:

Per Thousand US$

Description	31 December 2015	31 December 2014	Change (-)/ + Value
Available for sale investments :			
Shares	322	530	(208)
Floating – rate notes	9 665	14 704	(5 039)
Mutual funds	1 822	8 388	(6 566)
External investment managers	709	1 227	(518)
Total investments available for sale (1)	12 518	24 849	(12 331)
Treasury bills	790 422	660 558	129 864
Total treasury bills (2)	790 442	660 558	129 864
Investments held to maturity: Fixed interest local bonds	72 440	106 491	(34 051)
Total Investments held to maturity (3)	72 440	106 491	(34 051)
Total financial investments (1)+(2)+(3)	875 380	791 898	83 482



The investments available for sale are valuated 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 Granted To Customers & Banks (Net):

The net loans and advances portfolio after deducting the specified and general impairment provisions amounted to US$ 1 439 million as at December 31, 2015 corresponding to US$ 1 349 million as at December 31, 2014 with an increase amounting to US$ 90 million.

Hereunder is a statement of the components of the said portfolio as at December 31, 2015/ 2014:

Per Thousand US$

Description	31 December 2015	31 December 2014	Change (-)/ +
			Value
Loans granted to financial institutions (subordinated loan)	100 000	50 000	50 000
Loans to corporates & firms	1 452 646	1 391 402	61 244
Secured loans	63 953	75 317	(11 364)
Total portfolio amount	1 616 599	1 516 719	99 880
Less:			
Suspense interests & commissions	(62 942)	(60 622)	2 320
Specified impairment provision	(80 930)	(74 312)	6 618
General impairment provision	(34 176)	(33 179)	997
Total provision, suspense interests & commissions	(178 048)	(168 113)	(9 935)
Net	1 438 551	1 348 606	89 945

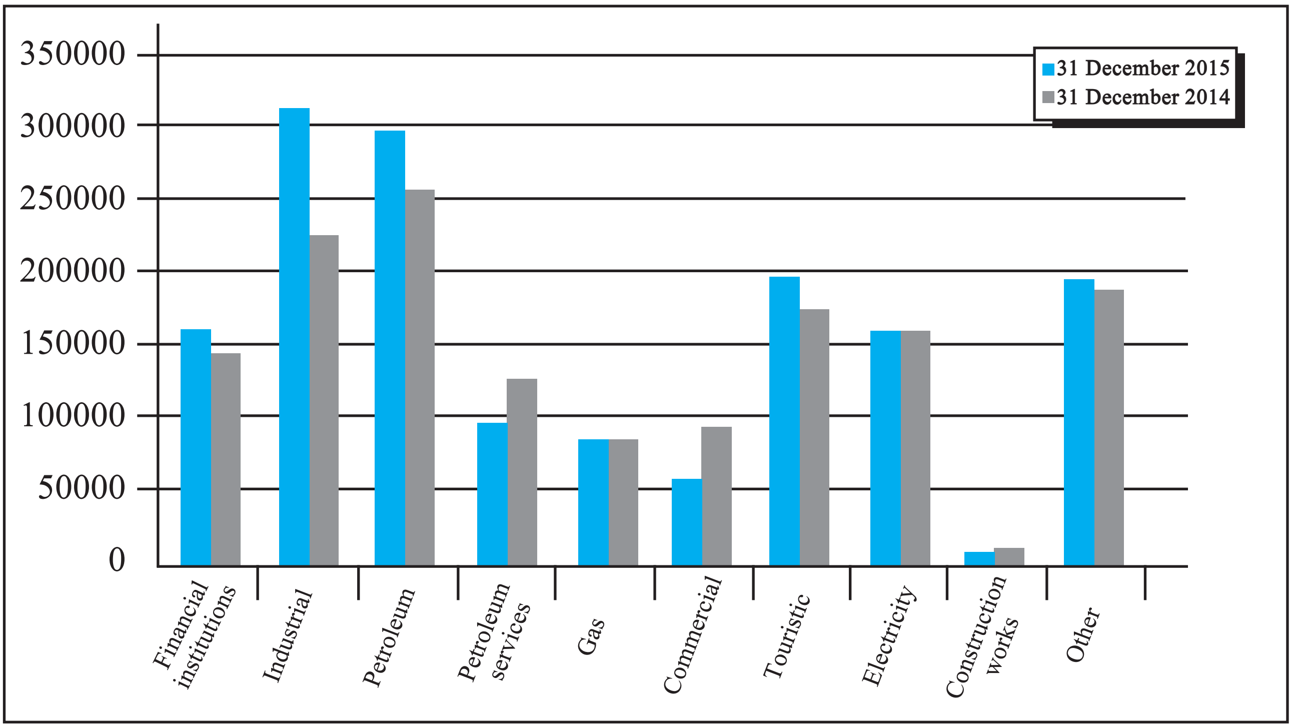
On December 31, 2015, the non-performing loans portfolio amounted to US$ 155 million corresponding to US $ 86 million during the previous year. The coverage ratio of the general and specified loans and advances impairment provisions to the total credit portfolio (excluding the suspense interests) was 7.4 % on December 31, 2015 corresponding to 7.3 % on December 31, 2014 while the coverage ratio of the specified impairment provision to the net defaulting loans portfolio was 52 % on December 31, 2015 corresponding to 86 % on December 31, 2014.

The total amount of the interest income pertaining to the credit portfolio amounted to US $ 63 million on December 31, 2015 corresponding to US$ 59 million on December 31, 2014 at an average interest rate of 4.5 % on December 31, 2015 corresponding to 4.2 % as at December 31, 2014.

The classification of the loans and advances according to the sectors (less suspense interests & commissions) is as follows:

Per Thousand US$

Sector	31 December 2015	31 December 2014
Financial institutions	157 962	138 931
Industrial	308 022	226 147
Petroleum	297 774	255 682
Petroleum services	93 954	129 139
Gas	79 505	80 605
Commercial	55 751	87 500
Touristic	194 496	171 812
Electricity	163 071	163 476
Construction works	9 232	11 630
Other	193 890	189 639
Total	1 553 657	1 454 561



(D) Investments in Associates (Direct Participations):

The volume of the direct participations in the capital of the companies and institutions on December 31, 2015 reached the amount of US $ 519 million corresponding to US $ 515 million on December 31, 2014 with an increase of US $ 4 million. The following is an analytical statement of such participations:

Per Thousand US$

Description	Business Activity	Participation Percentage	31 December 2015	31 December 2014	Change (-)/ + Amount
Investments in Associates Participation Percentage 20% and More					
* World Trade Center Company (WTC)	Housing – Administrative	50	131 418	131 152	266
* Société Arabe Internationale de Banque (SAIB)	Banking	46	132 031	126 214	5 817
Suez Canal Bank	Banking	41,5	116 137	116 137	-
* Suez Canal Company For Technology	Educational Institutions	24	68 378	69 363	(985)
* International Company for Tourist Investments (ICTI)	Housing – Hotels	20	39 475	38 385	1 090
International Finance Arab Company, Luxembourg	Financial Institutions	89	8 677	7 890	787
Total Investments in Associates (A)			496 116	489 141	6 975
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	-
Société 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	1 769	-
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 - ATFP	Financial Institutions	0,11	860	860	-
Miscellaneous		-	6 542	6 519	23
Equity Instruments Recorded at Fair Value					
MasterCard Worldwide	Financial Institutions	-	-	2 348	(2 348)
Less Impairment		-	(6 795)	(6 488)	(307)
Total Financial Investments Available for Sale (B)			22 883	25 515	(2 632)
Total Direct Participations (A) + (B)			518 999	514 656	4 343

* The increase and decrease in the participations balance are due to decreasing the participation balance by the amount of the cash dividends distributed during the year 2015 by these companies in regard to their realized profits for the financial year ended as at December 31, 2014 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, 2015.

** 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 $ 20 million as at December 31, 2015 corresponding to US $ 16.4 million as at December 31, 2014.

(E) Investment Properties:

The balance of the investment properties as at December 31, 2015 reached the amount of US $ 17.5 million and as at 31 December 2014 as well.

(F) Fixed Assets:

The net value of the fixed assets after depreciation as at December 31, 2015 reached the amount of US $39.7 million corresponding to US $ 39.4 million as at December 31, 2014 with an increase amounted to US $ 0.3 million.

(G) Debit Balances & Accrued Interests:

The debit balances & accrued interests amounted to US$ 34 million as at December 31, 2015 corresponding to US$ 30 million as at December 31, 2014 with an increase of US$ 4 million represented in an increase in accrued interests reserve that amounted to US$ 1.9 million and an increase amounted to US$ 0.5 million as an amount prepaid to the employees under the account of dividends distribution (7 months in 2015 corresponding to 6 months in 2014) in addition to an increase of US$ 1.1 million as suspense amounts and an increase of US$ 0.5 million as suspense amount of purchased commercial papers.

(H) Contingent Liabilities and Other Off Balance Sheet Items:

The total amount of commitments and contingent liabilities as at December 31, 2015 reached US $ 230 million corresponding to US $ 197 million as at December 31, 2014, whose statement is as follows:

Per Thousand US$

Item	31 December 2015	31 December 2014	Change (-)/ + Amount
Documentary Credit & Letters of Guarantee			
Documentary Credit	26 178	36 462	(10 284)
Letters of Guarantee	148 965	124 575	24 390
Total (A)	175 143	161 037	14 106
Commitments			
Loans and Advances	54 564	36 140	18 424
Total (B)	54 564	36 140	18 424
Total (A +B)	229 707	197 177	32 530

The total contingent liabilities provision that represents an obligation on the part of the Bank as at December 31, 2015 amounted to US$ 4.9 million corresponding to US$ 4.8 million as at December 31, 2014.

The net revenues gained from fees and commissions of documentary credit & letters of guarantee as at December 31, 2015 amounted to US$ 6 million corresponding to US$ 4.4 million as at December 31, 2014.

Second: The Income Statement:

The Bank achieved net profits this year that amounted to US$ 59.4 million as at December 31, 2015 corresponding to US$ 47.9 million last year.

The following is a detailed statement of the items of revenues and expenses as at 31 December 2015 & 2014:

Per Thousand US$

Description	31 December 2015	31 December 2014
Operating Income	138 996	111 485
Operating expenses	(32 943)	(18 755)
Net operating Income	106 053	92 730
Administrative & general expenses	(38 168)	(41 115)
Net profits before provisions	67 885	51 615
Provisions no longer required	50	2 741
Provisions	(8 511)	(6 462)
Net profit	59 424	47 894

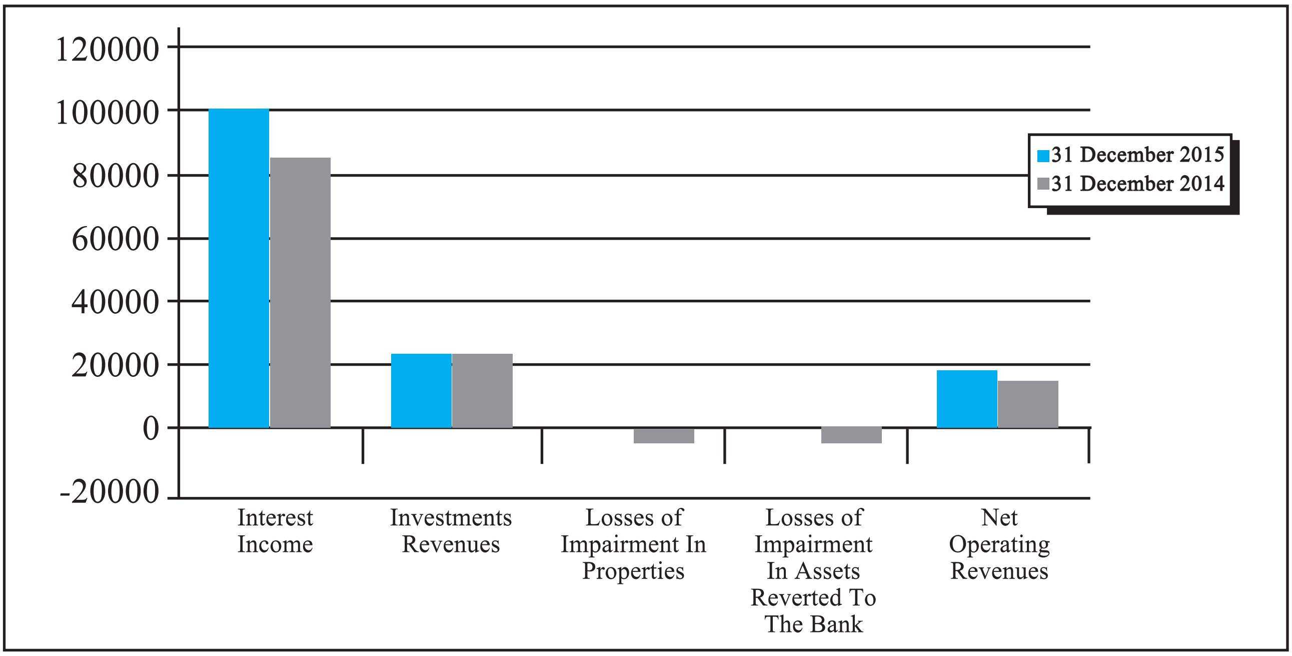
(1) Revenues :

The Bank achieved total operating income as at December 31, 2015 that amounted to US$ 139 million corresponding to US$ 111.5 million as at December 31, 2014 according to the following:

Per Thousand US$

Description	31 December 2015		31 December 2014	
	Value	%	Value	%
Interest income	100 298	72,2	82 697	74,2
Investments revenues	22 151	15,9	22 040	19,7
* 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	16 547	11,9	14 354	12,9
Total	138 996	100	111 485	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 72.2% of the total operating revenues as at December 31, 2015 compared to 74.2% as at December 31, 2014.

The following is a detailed statement of the collected interests as at December 31, 2015/2014:

Per Thousand US$

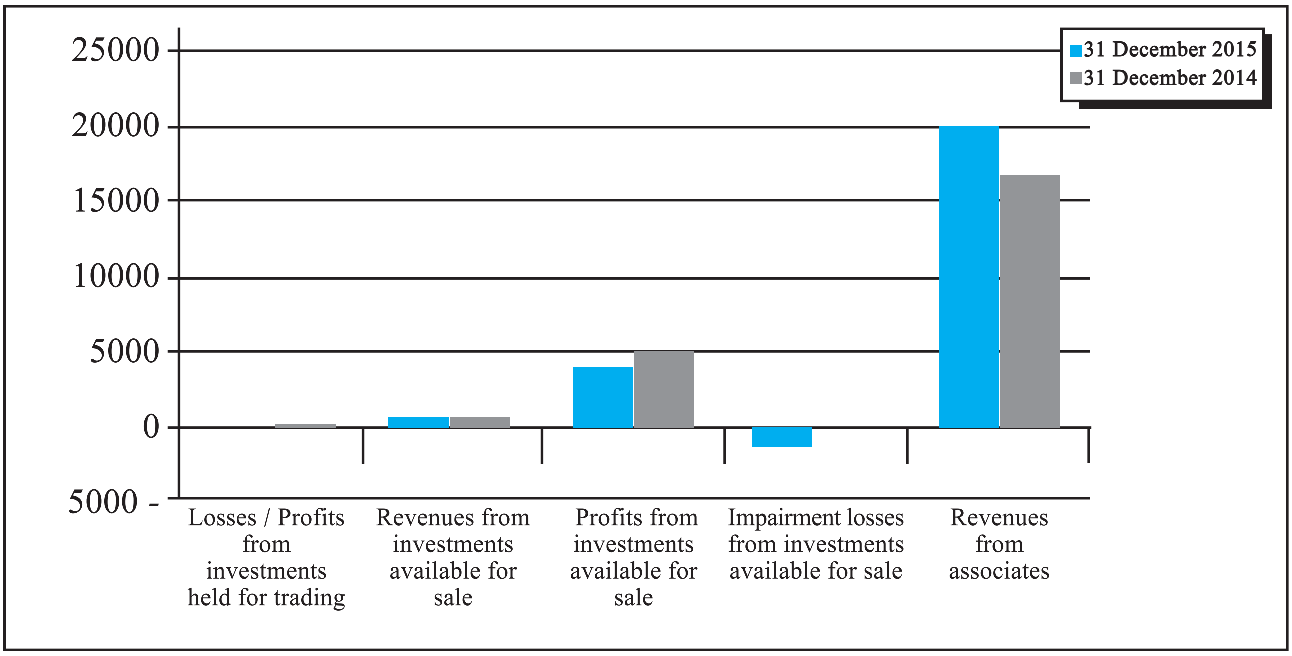
Interest income	31 December 2015		31 December 2014	
	Value	%	Value	%
From cash balances and deposits at banks	2 971	3	1 583	1.9
From loans to customers & banks	63 177	63	59 065	71.4
From investments portfolio	34 150	34	22 049	26.7
Total	100 298	100	82 697	100

(B) Investment Revenues

The investment revenues amounted to US$ 22.2 million as at December 31, 2015 corresponding to US$ 22 million as at December 31, 2014 as follows:

Per Thousand US$

Description	31 December 2015		31 December 2014	
	Value	%	Value	%
Losses / Profits from investments held for trading	-	-	(17)	(0,1)
Revenues from investments available for sale	540	2,4	616	2,8
Profits from investments available for sale	3 717	16,8	5 065	23
Impairment losses from investments available for sale	(2 193)	(9,8)	-	-
Revenues from associates	20 087	90,6	16 376	74,3
Total	22 151	100	22 040	100



(C) Other Operating Income (net)

The other operating income (net) amounted to US$ 16.6 million as at December 31, 2015 compared to US$ 14.3 million as at December 31, 2014 with an approximate increase of US$ 2.2 million (which is mainly concentrated in the collected commissions related to the credit portfolio).

The following is a detailed statement of the revenues items:

Per Thousand US$

Operating revenues	31 December 2015		31 December 2014	
	Value	%	Value	%
Fees & commissions revenues (net)	16 304	98,5	13 020	90,7
Revenues from exchange transactions and translation differences	(729)	(4,4)	614	4,3
Other operating revenues (net)	972	5,9	720	5
Total	16 547	100	14 354	100

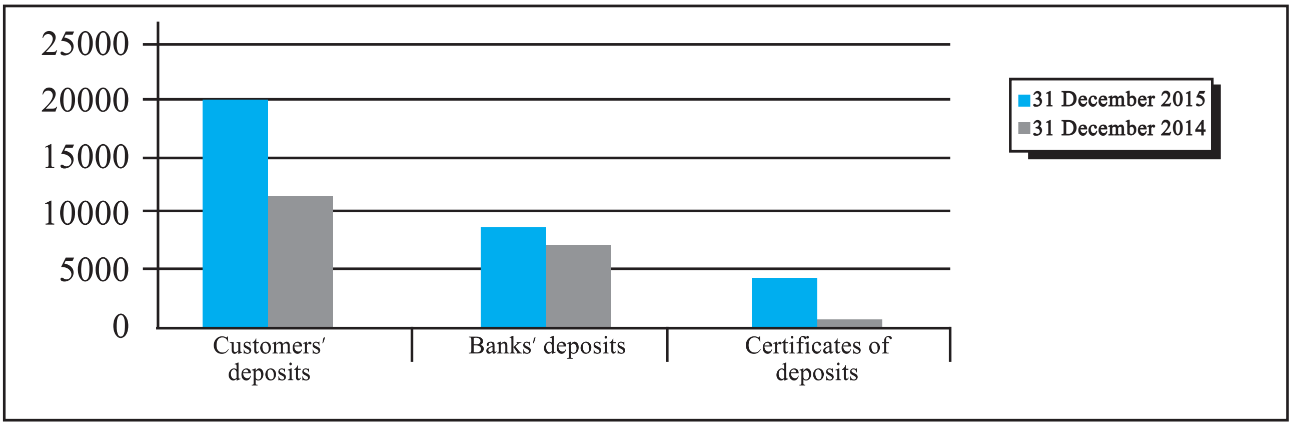
(2) Operating Expenses:

(A) Paid Interests:

The paid interests as at December 31, 2015 reached the amount of US $32.9 million compared to US $ 18.8 million on December 31, 2014 and the following table presents a detailed description of the paid interests:

Per Thousand US$

The Paid Interests	31 December 2015		31 December 2014	
	Value	%	Value	%
Customers' deposits	20 563	62	10 988	58,6
Banks' deposits	7 858	24	7 114	37,9
Certificates of deposits	4 522	14	653	3,5
Total	32 943	100	18 755	100



(B) Administrative and General Expenses:

The administrative and general expenses as at December 31,2015 reached the amount of US $ 38.2 million corresponding to US $ 41.1 million as at December 31, 2014 with a decrease of US$ 2.9 million that is represented in the decrease in the item of salaries and wages with the amount of US$ 2.2 million in addition to the amortization of a portion of the syndicated loan granted to the Employees' Fund with an amount of US$ 6.8 million that represented the surpluses resulting from implementing the optional early retirement plan during the year 2015, while taking into consideration a decrease in the other administrative expenses with the amount of US$ 1.8 million due to the existence of donations to the national economy that amounted to US$ 540 thousand last year, Aswan Heart Centre that amounted to EGP 850 thousand and Long Live Egypt Fund that amounted to EGP 10 million corresponding to the amount of US$ 258 thousand of donations of the current year that represented the participation of the Bank in the inauguration of the New Suez Canal ceremony (the equivalent of EGP2 million).

Per Thousand US$

Description	31 December 2015		31 /12/ 2014	
	Value	%	Value	%
Salaries, wages and their equivalents	24 256	63.5	26 416	64.3
Amortization of the syndicated loan granted to the Employees' Fund	6 795	17.8	4 965	12.1
Other administrative expenses	7 117	18.7	9 734	23.6
Total	38 168	100	41 115	100

(c) Provisions

The provision of loans and advances was increased during the year 2015 with the amount of US$ 7.9 million and the contingent claims provision was increased with the amount of US$ 279 thousand in addition to increasing the direct participations provision (financial investments available for sale) with the amount of US$ 307 thousand while having provisions no longer required as at December 31, 2015 with the amount of US$ 50 thousand according to the following:

$ Per Thousand US

Description	31 December		Change (-)/ +
	2015	2014	Value
Loans provision increase	(7 925)	(2 481)	(5 444)
Contingent claims provision increase	-	(3 981)	3 981
Direct participations provision increase	(307)	-	(307)
Contingent liabilities provision increase	(279)	-	(279)
Total increase	(8 511)	(6 462)	(2 049)
Provisions no longer required	50	2 741	(2 691)
Total	(8 461)	(3 721)	4 740

Third

Governance

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.

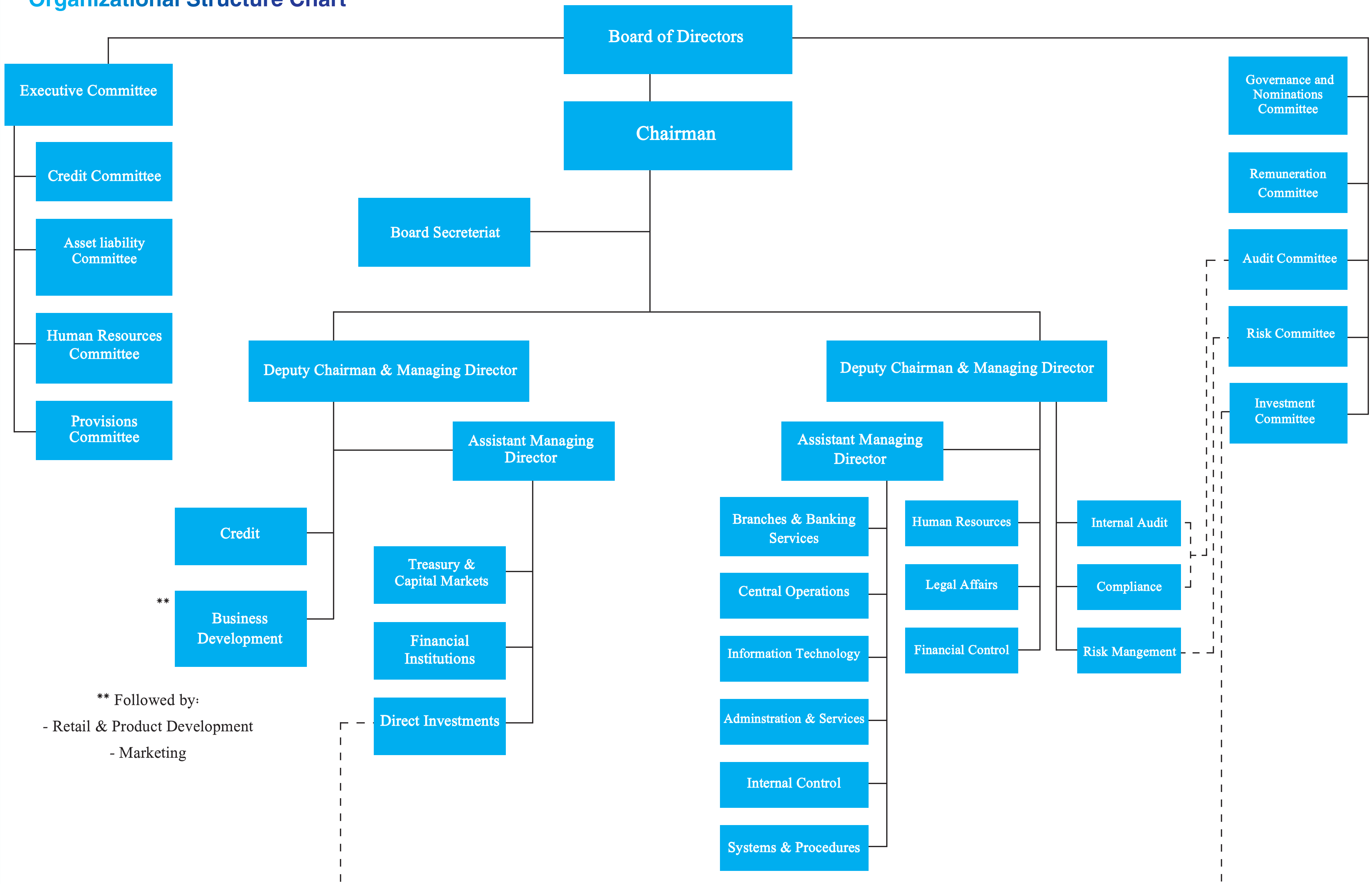
The Board of Directors

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



Board Committees

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. Tarek Fayed	Member of the Board of Directors	Chairman
– Mr. Abdel Salam Akil Khoury	Member of the Board of Directors	Member
– Mr. Amr Yakhlaf 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. Tarek Fayed	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. Mohamed Mohamed Ben Youssef	Member of the Board of Directors	Member
– Dr. Rania El Mashat	Member of the Board of Directors	Member
– Mr. Tarek Fayed	Member of the Board of Directors	Member

The Executive Committee:

– Mr. Mohamed Kamal El Din Brakat	Deputy Chairman of the Board of Directors & Managing Director	Chairman
– Mr. Mohamed Ibrahim Abduljawad	Deputy Chairman of the Board of Directors & Managing Director	Member
– Mr. Amr Bahaa	Assistant Managing Director	Member
– Mr. Amr Mahmoud Abd Elfattah Atallah	Assistant Managing Director	Member
– Mr. Adel Salah Eldin Ezzat	General Manager - Credit	Member
– Mr. Abdel Hamed Mohamed Al Zanaty	General Manager - Legal Affairs Administration (As an Observer)	
– Mr. Assem Kamel Awwad Hussein	General Manager - Risk Management (As an Observer)	

Internal Control systems

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 15.65 % at the end of December 2015 compared to 14.73% at the end of December 2014 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

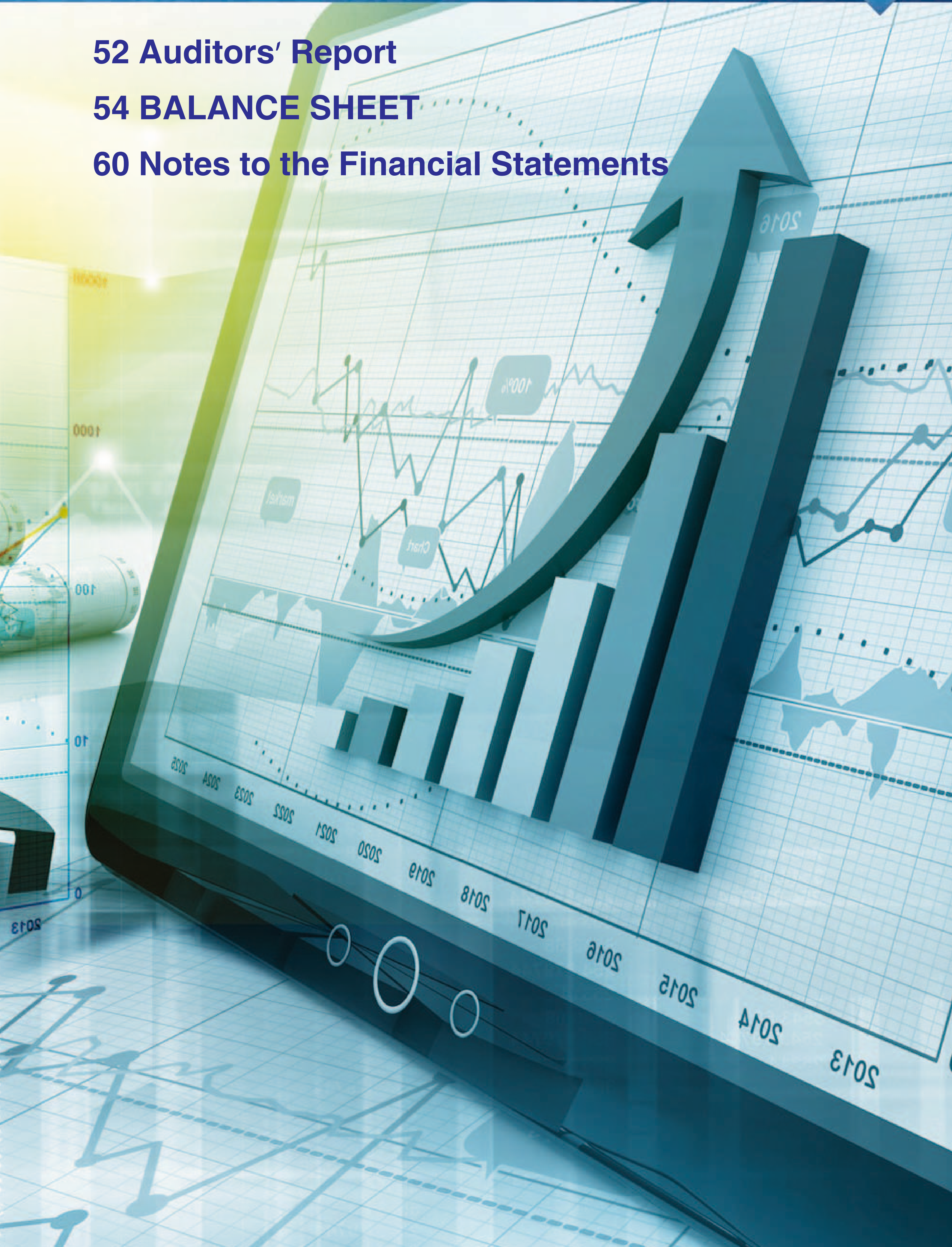
The governance concept is applied in the field of inspection through condensed inspection plans aiming at maintaining stability and confidence in the system existed in the bank through:

- 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



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

Allied for Accountings & Auditing – EY
Public Accountant & Consultants

Translation of auditors' report
Originally issued Arabic

AUDITORS' REPORT

To THE SHAREHOLDERS OF ARAB INTERNATIONAL BANK

Report on the Financial Statements

We have audited the accompanying financial statement of **ARAB INTERNATIONAL BANK** represented in the balance sheet as of **31 December 2015**, and the related statements of income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

These financial statements are the responsibility of the Bank's management, as management is responsible for the preparation and fair presentation of the financial statements in accordance with the Central Bank of Egypt's rules pertaining to the preparation and presentation of the financial statements issued on 16 December 2008 and in light of the prevailing Egyptian laws. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation 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 Egyptian Standards on Auditing and applicable Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that 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 auditors' 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 Bank'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 Bank'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 that we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

Translation of auditors' report
Originally issued Arabic

Opinion

In our opinion, the financial statements referred to above, give a true and fair view, in all material respects, of the financial position of **ARAB INTERNATIONAL BANK**, as of 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with the Central Bank of Egypt's rules pertaining to the preparation and presentation of financial statements issued on 16 December 2008, and in light of the Egyptian laws and regulations relating to the preparation of these financial statements.

Explanatory Paragraph

Without qualifying our opinion, and as shown in details in Notes no. (1) & (2-a), the Extraordinary General Assembly meeting held 22 march 2012 has approved to subject the bank to be under the supervision of the Central Bank of Egypt in accordance to its laws and regulations and Banking and Monetary Institution. The financial statement for the year ended 31 December 2015 has been prepared in accordance with the Central Bank of Egypt's rules pertaining to the preparation and presentation of the financial statements issued on 16 December 2008 and in light of the prevailing Egyptian laws and that complies with the international financial reporting standards. The prior periods financial statements have been issued in accordance with the international financial reporting standards.

Report on Other Legal and Regulatory Requirements

According to the information and explanations given to us during the financial year ended 31 December 2015. We have noted any non-compliance of the bank with any of the articles of the CBE laws and banking and monetary institution law no.88 of 2003

The Bank maintains proper accounting records that agree with the financial statements and the financial information included in the board of directors report is in agreement with the books of the bank.

Cairo: 17 March 2016

Auditors

Alaa Dawoud	Mona Abdel-Salam
Wahid Abdel Ghaffar & Co. BAKER TILLY	Allied for Accountings & Auditing - EY
BAKER TILLY WAHID ABDEL GHAFFAR & CO. PUBLIC ACCOUNTANTS & CONSULTANTS	Mona Abdel-Salam
Alaa Dawoud	Allied for Accountings & Auditing – EY
Wahid Abdel Ghaffar & Co.-BAKER TILLY	

BALANCE SHEET

As of December 31, 2015

	Note No.	31 /12/ 2015 US$ (000)	31 /12/ 2014 US$ (000)
Assets			
Cash and Due from Central Bank	(13)	44 451	33 877
Due from banks	(14)	574 863	367 429
Treasury bills	(15)	790 422	660 558
Loans and facilities to customers & banks	(16)	1 438 551	1 348 606
Financial investments			
- Available for sale investments	(17)	35 401	50 364
- Held to maturity investments	(17)	72 440	106 491
Investments in associates	(18)	496 116	489 141
Investments properties	(19)	17 483	17 483
Other assets	(20)	34 035	29 886
Fixed assets	(21)	39 678	39 428
Total Assets		**3 543 440**	**3 143 263**
Liabilities and Equity			
Liabilities			
Due to banks	(22)	708 050	507 081
Customers' deposits	(23)	1 943 896	1 785 901
Other liabilities	(24)	30 069	28 222
Other provisions	(25)	13 744	18 660
Total Liabilities		**2 695 759**	**2 339 864**
Equity			
Paid-up capital	(26 - A)	450 000	450 000
Reserves	(26 -B)	254 553	253 605
Retained Earnings	(26 - G)	143 128	99 794
Total Equity		**847 681**	**803 399**
Total Liabilities and Equity		**3 543 440**	**3 143 263**

- Auditors' report attached

* The accompanying notes from (1) to (31) are integral part of these financial statements and to be read there with .

Gamal Zaghloul	Mohamed Abduljawad	Mohamed Barakat	Gamal Negm
CFO	Deputy Chairman & Managing Director	Deputy Chairman & Managing Director	Chairman

STATEMENT OF INCOME

For The Financial Year Ended December 31,2015

	Note No.	31 /12/ 2015 US$ (000)	31 /12/ 2014 US$ (000)
Interest income from loans and similar revenues	(6)	100 298	82 697
Cost of deposits and similar costs	(6)	(32 943)	(18 755)
Net Interest Income		**67 355**	**63 942**
Fees and commissions revenues	(7)	16 391	13 154
Fees and commissions expenses	(7)	(87)	(134)
Net Income from Fees and Commissions		**16 304**	**13 020**
Dividends income	(8)	540	616
Net trading income	(9)	2 727	2 529
Gains from financial investments	(17)	1 218	5 065
Impairment charge for credit losses	(16)	(7 926)	(807)
Administrative expenses	(10)	(38 167)	(41 116)
Other operating (expenses)	(11)	(2 714)	(11 731)
Share of profit of associates	(18)	20 087	16 376
Net Profits for The Year		**59 424**	**47 894**
Earnings Per Share (U.S.$/ Share)	(12)	**1614.1**	**1219.8**

* The accompanying notes from (1) to (31) are integral part of these financial statements and to be read there with .

Gamal Zaghloul	Mohamed Abduljawad	Mohamed Barakat	Gamal Negm
CFO	Deputy Chairman & Managing Director	Deputy Chairman & Managing Director	Chairman

STATEMENT OF CASH FLOWS

For The Financial Year Ended December 31,2015

	Note No.	31 /12/ 2015 US$ (000)	31 /12/ 2014 US$ (000)
Cash flows from operating activities			
Net Profit for the year		59 424	47 894
Adjustments to reconcile net profit to net cash provided from operating activities			
Fixed assets depreciation		1 343	2 009
Impairment charges for credit losses		7 926	807
Impairment charges for available for sale investments		2 499	-
Other provision charges		279	3 025
Impairment of assets		-	7 605
Profit /losses from investment in associates		(20 087)	(16 376)
Gains on sale of fixed assets		69	13
Gains on sale of investment available for sale		(3 717)	(5 065)
Used from other provisions		(5 035)	-
Amortized Cost		1 252	-
Dividends income		(540)	(616)
Operation profits before changes in assets & liabilities from operating activities		43 413	39 296
Net decrease (increase) in assets & liabilities			
Due from banks		(218 948)	(185 461)
Treasury bills with maturities more than three months		(101 587)	(191 569)
Loans and facilities to customers and banks		(103 839)	74 820
Other assets		(899)	(876)
Due to banks		200 969	(94 576)
Customers' deposits		157 995	25 850
Other liabilities		1 847	(12 081)
Net cash used in from operating activities (1)		(21 049)	(344 597)
Cash flows from Investing Activities			
Payments to acquire fixed assets and fixtures of branches		(2 745)	(1 136)
Proceeds from held to maturity investments		85 629	-
Payments to purchase held to maturity investments		(52 830)	(74 914)
Proceeds from sale of available for sale investments		17 286	10 979
Payments to purchase available for sale investments		(23)	(2 526)
Dividends received		12 369	11 794
Net cash (used in) provided from investing activities (2)		59 686	(55 803)
Cash flow from Financing Activities			
Dividends paid		(11 300)	(12 219)
Net cash used in financing activities (3)		(11 300)	(12 219)
Net Increase (decrease) in cash & cash equivalents during the year (1 + 2 + 3)		27 337	(412 619)
Cash & cash equivalents at the beginning of the year		438 974	851 593
Cash & cash equivalents at the end of the year		466 311	438 974
Cash & cash equivalents represented as :			
Cash and due from Central Bank		44 451	33 877
Due from banks		574 863	367 429
Treasury bills		790 422	660 558
Due from central banks (within the mandatory reserve percentage)		(53 625)	-
Due from banks with maturities more than three months		(165 323)	-
Treasury bills with maturities more than three months		(724 477)	(622 890)
Cash & cash equivalents	(27)	466 311	438 974

* The accompanying from (1) to (31) are integral part of these financial statements and to be read there with .

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For The Financial Year Ended December 31,2015

	Capital US$ (000)	Legal reserve US$ (000)	General reserve US$ (000)	Available for sale fair value reserve US$ (000)	Change in equity for investment in associate US$ (000)	Retained earnings US$ (000)	Total US$ (000)
Balance as of 31 December. 2013	450 000	99 461	73 582	4 869	68 960	67 174	764 046
Dividends distributions for 2013	-	3 055	-	-	-	(15 274)	(12 219)
Change in the fair value of the available for sale investments	-	-	-	4 090	-	-	4 090
Transfer to income statement (sale of available for sale investments)	-	-	-	(5 366)	-	-	(5 366)
Change in equity for investment in associate	-	-	-	-	4 954	-	4 954
Net profit for the year	-	-	-	-	-	47 894	47 894
Balance as of 31 December 2014	450 000	102 516	73 582	3 593	73 914	99 794	803 399
Balance as of 31 December. 2014	450 000	102 516	73 582	3 593	73 914	99 794	803 399
Dividends distributions for 2014	-	4 790	-	-	-	(16 090)	(11 300)
Available for sale impairment transferred to income statement	-	-	-	2 193	-	-	2 193
Change in the fair value of the available for sale investments	-	-	-	(1 310)	-	-	(1 310)
Transfer to income statement (sale of available for sale investments)	-	-	-	(3 442)	-	-	(3 442)
Change in equity for investment in associate	-	-	-	-	(1 283)	-	(1 283)
Net profit for the year	-	-	-	-	-	59 424	59 424
Balance as of 31 December 2015	450 000	107 306	73 582	1 034	72 631	143 128	847 681

* The accompanying notes from (1) to (31) are integral part of these financial statements and to be read there with.

STATEMENT OF PROPOSED DIVIDENDS

For The Year Ended December 31, 2015

	31 /12/ 2015	31 /12/ 2014
Net profit for the year available for distribution	59 424	**47 894**
Retained earnings at the beginning of the year	83 704	51 900
Total	**143 128**	99 794
To be distributed as follows:-		
Legal Reserve (10٪)	5 942	4 790
Shareholders' dividends (5٪ from Paid-up capital)	22 500	-
Employees' profit share	8 500	8 890
Board of Directors remuneration	2 500	2 410
Retained earnings at the end of the year	103 686	83 704
Total	**143 128**	**99 794**

Notes to the Financial Statements

For The Year Ended 31, December 2015

(Amounts in U.S.$ 000)

(1) Background

Arab International Bank was established in 1974 by an International Treaty.

The registered office of the Bank is located in 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 immuned 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, and

– 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 Members 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 starting from April 1, 2015.
- The number of persons employed by the Bank as of December 31, 2015 was 942 comparing with 961 as of December 31, 2014.
- These financial statements were approved for issuance by the Board of Directors in March, 6, 2016.

(2) Significant Accounting Policies Applied

The following are the significant accounting policies which were adopted in the preparation of these financial statements, these policies have been consistently applied to all the years presented, unless otherwise stated.

A- Basis of financial statements preparation

- The financial statements are prepared in accordance with Egyptian Accounting Standards issued in 2006 and its amendments and in accordance with Central Bank of Egypt rules approved by its Board of Directors on 16 December 2008, and on the historical cost convention basis, modified by the revaluation of financial assets and liabilities classified on initial recognition as fair value through profit or loss and available for sale and all derivative contracts.
- The financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB) until 31 December 2014.
- The above mentioned change in the basis of financial statements preparation did not result in amendment in the book value of assets and liabilities or the shareholders' equity of the previous years.

B - Associates

Associates are companies in which the Bank has, directly or indirectly, significant influence, but it does not reach to the extent of control, and usually the Bank owns from 20% to 50% of the voting rights.

Accounting for acquisition of companies by the Bank is carried out according to the purchase method. The recognition of acquisition of companies by the Bank is measured at fair value or the value of assets given by the Bank in return for the purchase of companies and / or issued equity instruments and / or any other costs directly attributed to the acquisition process. The net assets including the acquireddeterminable contingent liabilities is measured at fair value on the date of acquisition.

Accounting for the value of investments in associates is recorded in the financial statements according to the equity method, according to which, any investment in associates is initially recognized at cost, and subsequently increased or decreased based on the Bank's share in profits or losses in the investees companies which occur after the acquisition. Upon the preparation of the financial statements, the Bank's share in profits or losses in the investees companies is recorded under the item of profits or losses in investments in associates in the income statement. The investment balance is decreased by the dividends received from the investees.

C- Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a segment by which, provide products or services within a particular economic environment that are subject to risks and returns different from those of segments operating in other economic environments.

D- Functional Currency, Presentation, Transactions and Balances in Foreign Currencies

The financial statements of the Banker presented in US Dollar while transactions are recorded in the books during the year according to the currency in which the transactions were carried out. For the purposes of presenting the financial statements of the Bank in US Dollar, all assets and liabilities and equity recorded at the end of the financial year in various currencies (other than the Egyptian Pound) are translated into US Dollar based on the prevailing exchange rates on that date- as for the balances in the Egyptian Pound, they are translated into US Dollar based on the official exchange rates declared by the Central Bank of Egypt.

E- Financial assets

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

E /1 financial assets at fair value through profit or loss:

This category includes financial assets held for trading, financial assets designated at fair value through profit or loss at initial recognition and financial 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 if is part financial instruments portfolio that are managed together and there is evidence resulted from recent actual transaction that profit can be recognized. Derivatives can be classified as held for trading unless they are identified as hedging instruments.
- Financials assets designated at fair value through profit or loss are recognized when:

• Doing so significantly reduces measurement inconstancies that would arise if the related derivatives were treated as held for trading and the underlying financial instruments were carried at amortized cost for loans and facilities to customers or banks and issued debt securities.

• Equity investments that are managed and evaluated at the fair value basis in accordance with a risk management or investment strategy and preparing reports to top management on that basis are classified as fair value through profit and loss.

• Financial instruments such as debt instrument which contain one or more embedded derivatives which may significantly affect the cash flows are classified at fair value through profit and loss.

- Gains and losses arising from changes in the fair value of derivatives that are managed in conjunction with designated financial assets or financial liabilities are recorded in the "net income from financial instruments classified at fair value though profit and loss"
- It is not permitted to reclassify any derivative out of the financial instrument valued at fair value through profit or loss category during its holding period. Also, it is not permitted to reclassify any financial instrument valued at fair value through profit or loss category if it is designated at fair value through profit or loss at initial recognition.
- It is not permitted to reclassify any financial derivative of the financial instrument category s valued at fair value through profits or losses during its holding period or during its term of validity. In addition, it is not permitted to reclassify any financial instrument valued at fair value through profit or loss and transfer it from this category if it is designated by the Bank as an instrument valued at fair value through profits or losses upon the initial recognition.

E/2 Loans and receivables:

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- Those that the Bank intends to sell immediately or in the short term, which are classified as held for trading, or those that the Bank upon initial recognition designated as at fair value through profit or loss.
- Those that the Bank upon initial recognition classified as available for sale.
- Those for which the Bank may not recover substantially all of its initial investment, other than because of credit deterioration.

E/3 Held to maturity financial assets:

Held to maturity financial assets are non-derivative assets which carry fixed or determinable payments and where the Bank has the intention and the ability to hold to maturity. Any sale of a significant amount, not close to the date of its maturity, would result in the reclassification of all held to maturity assets as available for sale except in cases of necessity.

E/4 Available for sale financial assets :

Available-for-sale assets are non-derivative financial assets that the bank's management has intention to hold for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

The following applies to financial assets:

- Regular-way purchases and sales of financial assets at fair value through profit or loss, held to maturity and available for sale are recognized on trade-date – the date on which the Bank commits to purchase or sell the asset.
- Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value

through profit and loss are initially recognized at fair value, and transaction costs are expensed in the income statement in net income from trading.

- Financial assets are derecognized when the contractual rights to receive cash flows have expired or when the bank has transferred substantially all the risk and rewards of ownership. Financial liabilities are disposed upon disposal or cancellation or expiration of its contractual term.
- Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently measured at fair value. Held-to-maturity assets and loans and receivables are measured at amortized cost using the effective interest method.
- Gains and losses arising from changes in the fair value of assets at fair value through profit or loss are recognized in the income statement in the period it occurs. Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognized directly in equity, until the financial asset is derecognized or impaired. At this time, the cumulative gain or loss previously recognized in equity should be recognized in profit or loss.
- Interest income is recognized based on the amortized cost method in the income statement, the foreign currency revaluations differences related to monetary available for sale assets are recognized in the income statements, dividends from available for sale equity instruments are recognized in the income statement when the bank's right to receive the payment is established
- Fair value are obtained from quoted market price in active market (bid price), where no active market exists, or quoted price are unobtainable, the fair value is estimated using a variety of valuation technique – including discounted cash flow , using recent sale prices, option pricing models or other valuation method used by market participants. When the bank is unable to estimate the fair value of equity available for sale instrument it is measured at cost less any impairment losses.
- The Bank reclassifies the financial asset classified as an asset included in the category of the financial instruments available for sale which has the definition of loans and debts (debt securities or loans) and transfer it from the category of the financial instruments available for sale to the category of loans and debts or financial assets held to maturity – as the case may be - when the Bank has the intention and ability to hold these financial assets in the near future or to the date of maturity. The reclassification is carried out at fair value the date of reclassification. Any profits or losses related to such assets that were previously recognized in equity are treated as follows:

1. In case of financial assets with fixed and determinable payments and fixed maturity, gains and losses are amortized over the remaining life of the financial asset held to maturity using the effective interest method. The difference between the amortized cost and the maturity value is amortized over the remaining life of the financial asset, using the effective interest method. In case of impairment the profits or losses that have been previously recognized in equity are recognized immediately in the income statement.
2. In case of financial assets without fixed or determinable maturity, gains and losses are held in equity until the asset is sold, then removed from equity and recognized in the income statement. In case of impairment the profits or losses that have been previously recognized in equity are recognized immediately in the income statement.
3. If the Bank changes its estimates regarding payments or proceeds, the book value of a financial asset (or group of financial assets) has to be adjusted to reflect the actual cash inflows and the change in this estimate through calculating the present value of estimated future cash flows using the effective interest rate for the financial instrument. This adjustment is recognized as either income or expense in the income statement.
4. In all cases, if the Bank reclassified financial asset in accordance with what is referred to above and the Bank subsequently increase its future cash proceeds estimates resulted from an increase in the recoverable amount from its cash receipts, this increase is recognized as an adjustment to the effective interest rate not as an adjustment in the book value of the asset at the date of change in estimate.

F- Offsetting financial instruments:

Financial assets and liabilities can be offset when, there is a currently enforceable legal right to set-off the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Treasury bills, repos and reverse repos agreements are netted, and presented on the balance sheet in treasury bills and other governmental securities.

G- Interest income and expense

- Interest income and expense related to financial instruments except for held for trading assets or designated at fair value through profit and loss at initial recognition under "interest revenue and similar income" or Interest expense and similar charges.
- The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating the interest income or interest expense over the expected life of the related instrument. The effective interest rate is the rate that discounts estimated future cash payments or receipts over the expected life of the financial instrument or, a shorter period when appropriate to reach the net carrying amount of the financial asset or liability.
- When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, early payment options) but does not consider future credit losses.
- The calculation includes all fees and points paid or received between parties of the contract which is considered part of the effective interest rate, transaction costs include all other premiums or discounts.
- When loans or debts are classified as non-performing or impaired, related interest income are not recognized but rather, are carried off balance sheet in statistical records and are recognized as revenues according to cash basis as per the following:

• When collected and after recovery of all arrears for retail loans, personal loans, small and medium business loans., mortgage loans for personal housing and small loans for businesses.

• As for the loans granted to institutions the Cash Basis of Accounting is to be applied also where the interest income that is subsequently calculated according to the terms of the loan scheduling contract is recognized when 25% of the loan installments are paid with a regular performing period of at least one year and in case the customer keeps paying the installments on regular performing basis, the calculated interest income of the outstanding loans balance shall be recorded in revenues (interest income from regular scheduling balance) without the suspense interest before scheduling that is not recorded in revenues unless the entire loan balance is paid in full in the balance sheet prior to scheduling.

H - Fees and commission income:

- Fees and commissions related to loan and facilities are recognized as income when the service is rendered. Fees and commission income related to non-performing or impaired loans or debts are suspended and are carried off balance sheet and are recognized under income according to the cash basis, when interest income is recognized in accordance with note (G) above, fees and commissions which represent part of the financial asset effective rate is recognized as adjustment to the effective interest rate.
- Commitment fees recognized as revenue when there is probability that this loan will be used by the customer, as commitment fees represent compensation for the continuing interfere to own the financial asset. Subsequently its recognized as adjustments to the effective interest rate of the loan. If the commitment year passed without issuing the loan, commitment fees is recognized as income at the end of the commitment year.
- Fees and commission related to equity debts measured by fair value is recognized as income at initial recognition. Fees and commission related to marketing of syndicated loan is recognized as income when the marketing is completed and the loan is fully used or the Bank kept its share of the syndicated loan using the effective interest rate as used by the other participants.

- Commission and fees arising from negotiation, or participating in a negotiation to the favor of a third party as in share acquisition arrangements or purchase of securities or purchase or sale of businesses are recognized as income when the transaction is completed, commission and fees related to management advisory and other service are recognized as income based on the contract terms, usually on a time-appropriation basis. Asset management fees are recognized over the year in which the service is provided.

I- Dividend income

Dividends are recognized in the income statement when the bank's right to receive those dividends is established.

J- Impairment of financial assets

J/1 Financial asset carried at amortized cost:

The Bank assesses at each balance sheet date whether there is objective evidence that a financial asset or portfolio of financial assets is impaired. A financial asset or a portfolio of financial assets is impaired and impairment losses are recognized when there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) had an impact on the estimated future cash flows of the financial asset or the portfolio that can be reliably estimated.

The indicators used by the bank to determine whether there is objective evidence that a financial assets or portfolio is impaired include the following:

- Significant financial difficulty of the issuer or obligor.
- Breach of the loan agreement, e.g. default
- It became probable the borrower will enter bankruptcy or other financial reorganization.
- Deterioration of competitive position of borrower.
- Granting privileges or assignments by the Bank to the borrower, due to economic or legal reasons, which are not granted by the Bank in the normal course of business.
- Impairment of guarantee.
- Deterioration of creditworthiness.

An objective evidence for impairment loss of the financial assets is the existence of clear information indicating a measurable decline in the expected future cash flows of such category since initial recognition though such decline is not identifiable for each individual asset. For instance, the number of cases of defaulting payments with respect to one of the banking products.

The Bank estimates the period of confirming the loss that is represented in the period between identifying the loss event and its occurrence for each specified portfolio and for implementation purposes it ranges from three to twelve months.

The Bank first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant taking into consideration the following:

- In case there is no objective evidence that an impairment loss has been incurred on a financial instrument considered individually, being individually significant or not, the Bank includes that financial asset in a group of financial assets having similar characteristics in terms of credit risk and tests the whole group for impairment.
- An individually impairment test is made for a financial asset if there is objective evidence that this asset is impaired. If the impairment occurred then this asset will be excluded from group of financial assets that are collectively evaluated for impairment.
- If the result of the previously test did not recognized impairment loss, then this asset will be added to the group of financial assets that are collectively evaluated for impairment.
- Impairment loss is calculated by the difference between the carrying amount and the present value of estimated future recoverable cash flows, excluding future expected credit loss not charged yet, discounted at the financial assets' original effective interest rate. This impairment is booked in the income statement as "impairment loss" and the book value of the financial asset is reduced by the impairment amount using "impairment loss provision".
- If there is evidence that loan or other receivables, or financial assets classified as held to maturity carry variable rate, the discount rate will be the contract effective interest rate when there is objective evidence that an impairment loss has been incurred. For

practical purposes, the Bank may measure the impairment loss using the fair value of the instrument through its market rate.

- For guaranteed financial assets present value for expected futures cash flow has to be considered in addition to the proceeds from sale of guarantee after deducting selling cost.
- For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics according to the Bank classification taking into consideration type of asset, industry, geographical location, collateral, past-dues and other relevant factors. Those characteristics are relevant to the estimation of future cash flows for that group of assets as they are indicators of the debtors' ability to pay all amounts due according to its contract terms for assets under study.
- If historical impairment losses rates method is used for a group of financial assets that are collectively evaluated for impairment, future contractual cash flow will be used by the Bank in future and the historical loss for a group of assets with similar credit risk characteristics are considered. Historical impairment loss rates are adjusted to reflect the effects of current circumstances that did not affect the year on which the historical impairment loss rates is based and to remove the effects of circumstances in the historical year that are not currently exist.
- The Bank has to ensure that the estimates of changes in future cash flows for groups of assets are in consistence with changes in relative data from year to year, such as , changes in unemployment rates, real estate prices, settlement status, or other factors that may affect the probability and magnitude of losses. The Bank reviews the basis and methods of estimation regularly.

J/2 Available for sale assets

At each balance sheet date, the Bank estimates if there is objective evidence that impairment loss for an asset or a group of assets classified as available-for-sale or held to maturity is occurred. For listed equity instruments classified as available for sale investments, impairment is recognized if as it's significant and a prolonged decline it's price below it's acquisition cost is observed.

The decline in value is considered significant for the equity instruments if it reaches 10% of the financial instrument's cost, and it is considered prolonged if it extends for a year of more than 9 months.

When a decline in the fair value of an available for sale financial asset has been recognized directly in equity under fair value reserve and subsequent objective evidence of impairment emerges, the Bank recognizes the total accumulated loss previously recognized equity will be recognized in profit and loss. Impairment losses recognized on equity instruments on profit or loss are not subsequently reversed. Impairment losses recognized through profit or loss on debt instruments classified as available for sale are reversed through profit and loss if the price subsequently increased and this increase can be objectively related to an event occurring after the recognition of impairment loss in profit or loss.

J/3 Loans Impairment Losses Provision

A provision for loans losses and contingent liabilities (per se) is formed in addition to percentages of general risks that range from 1% to 5 % of the total loans losses and other contingent liabilities that are calculated based on the Obligor Risk Rating and Provisioning Rules issued by the Central Bank of Egypt on 6 June 2005. The Bank's Management is currently preparing historical data base to implement the requirements of the Central Bank of Egypt with respect to the bases of measuring the impairment losses provision according to the historical default rates.

K - Investment Property

Investment property is represented in lands and buildings owned by the Bank for obtaining rental income or capital increase and subsequently it does not include the real estate assets in which the Bank practices its business activity or the assets ownership reverted to the bank in settlement of debts. The initial recognition of the investment property is carried out at cost and includes the transaction cost. The accounting of the investment property is implemented in the same manner applied to the accounting of the fixed assets.

L- Fixed assets

They represent land and buildings related to head office, branches and offices. All fixed assets are reported at historical cost less depreciation and impairment losses. The historical cost includes all costs directly related to the acquisition of fixed assets items.

Subsequent costs are included in the asset's carrying amount or are recognized as an asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be reliably measured. Maintenance and repair expenses are charged to other operating expenses during the financial period in which they are incurred.

Land is not depreciated. Depreciation of other assets is calculated using the straight-line method to allocate their cost to until it reaches the residual values over their estimated useful lives, as follows:

Buildings	50 years
Furniture	10 years
Computers	5 years
Fixtures and fittings	10 years
Tools & equipment	10 years
Motor vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The recoverable amount is the higher of the asset's fair value less costs to sell or value in use.

Gains and losses on disposals are determined by comparing proceeds with asset carrying amount. These gain and losses are included in other operating income (expenses) in the income statement.

M- The Impairment of Nonfinancial Assets

The financial assets that have no specific useful life are not depreciated – except for the goodwill – and their impairment is examined on annual basis.

The impairment of assets that had been depreciated are to be considered whenever there are events or changes in the circumstances indicating that the book value may not be redeemable.

The impairment loss is to be recognized and the asset value shall be reduced with the amount by which the book value of the asset has been increased above the redeemable value. The redeemable value is represented in the net selling value of the asset or the use value of the asset whichever higher. For the purpose of assessing the impairment, the asset is to be attached to the smallest possible cash-generating unit. The nonfinancial assets that have impairment are to be reviewed to examine whether there is reverse of impairment to the income statement or not on the date of preparing every financial statements.

N- Lease Contract

All lease contracts concluded with the Bank are operating lease contracts.

N/1 - Lessee

The payments settled under the account of operating lease less any discounts obtained from the less or under the item of expenses are recognized in the income statement based on the straight-line method over the term of contract.

N/2 – lessor

The assets leased out on operating lease basis that are included in the fixed assets in the balance sheet and depreciated over the expected useful life of the asset using the same manner applied to the similar assets. The rent income is recorded less any discounts granted to the lessee based on the straight-line method over the term of contract.

O- Cash and cash equivalents

For the purposes of the cash flows statement, cash and cash equivalents include balances due within three months from date of acquisition, cash and balances due from the Central Banks other than the mandatory reserve, and current accounts with banks and treasury bills and other governmental securities.

P- Other provisions

Provisions for restructuring costs and legal claims are recognized when the Bank has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow is required to settle an obligation is determine taking into consideration the group of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any obligation in the group is minimal.

Provisions no longer required totally or partially are reversed in other operating income (expense). Provisions are measured at the present value of the expected required expenditures to settle obligations after one year from financial statement date using the appropriate rate in accordance with the terms of settlement ignoring the tax effect which reflects the time value of money. If the settlement term is less than one year the provision is booked using the present value unless time consideration has a significant effect.

Q- Employees' Pension Fund & End of Service Compensations

The Bank adopted special benefits plan until 17/4/2008. The Bank's contributory defined pension plan covers the permanent 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.

R- Dividends

Dividends are recognized when declared by the General Assembly of shareholders. Those dividends include employees' share in the profits and the Board of Directors' remuneration as prescribed by the articles of association .

S- Comparative figures

The comparative figures shall be re-classified, when necessary, to be in conformity with the changes in the presentation used in the current year.

(3) Financial Risk Management:

The bank, as a result of the activities it exercises, is exposed to various financial risks; acceptance of risks is a basis in the financial activities. Some risks or group of risks are analyzed, evaluated and managed together. The bank objective is to balance between the risk and return and to reduce the possible negative effects on the bank's financial performance.

The most important types of risks are credit risk, market risk, liquidity risk and other operating risks. The market risk comprises foreign currency exchange rates, interest rate risk and other pricing risks.

The risk management policies have been set to determine and analyze the risks, set limits to the risk and control them through reliable methods and updated information systems.

The bank regularly reviews the risk management policies and systems and amend them to they reflect the changes in market, products and services and the best updated applications.

Risks are managed in the light of the policies approved by the Board of Directors. Risk Management Departments identify, assess, and cover 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.

A - Credit risk

The bank is exposed to credit risk, which is the risk resulting from failure of one party to meet its contractual obligations. Credit risk is considered the most significant risk for the bank therefore the management is conservative in managing this risk. Credit risks results mainly from lending activities that result in loans and facilities and from investment activities which results in obtaining debt instruments. Credit risk is also included in off balance sheet financial instruments, such as loan commitments. Managing and monitoring process of credit risk is represented in credit risk team management in risk management department who prepare reports to the Board of Directors and Head of operating units on regular basis.

A /1 Credit risk measurement

- Loans and facilities to Banks and customers

To measure credit risk on the loans and facilities to banks and customers, the Bank considers the following three components:

- Probability of default by the client or third parties to fulfill its contractual obligations.
- The current position and its future development from which the bank conclude the balance exposed to risk. (Exposure at default)
- loss given default

The daily management of the bank's activities involves measures of credit risk based on the Expected Loss Model required by the Basel Committee on Banking Supervision. Those operational measures could be inconsistent with the impairment loss according to IAS 26, which adopts the realized losses model and not the expected losses (Note A / 3).

The Bank evaluates the default risk for each customer using internal evaluation methods to determine the rating for the different customers' categories. These methods were improved taking into consideration statistical analysis and the professional judgment of the credit officers to reach the appropriate rating. The customers are classified into four ratings.

Rating scale (shown in the following table) reflects the possibility of defaults for each rating category, in which the credit positions may transfer from one rating to other depending on the change in the degree of possible risk. The customer's rating and the rating process are reviewed and improved when necessary.

The Bank periodically evaluates the performance of the credit rating methods and their ability in expecting the customers' defaults.

Bank's internal ratings scale:

Rating description	Rating
Performing loans	1
Regular watching	2
Watch list	3
Non-performing loans	4

The Position exposed to default depends on the outstanding balances expected at the time when a default occurs, for example, for the loans , the position is the book value, for commitments, the bank includes all actual withdrawals in addition to any expected withdrawals till the date of the late payment if any.

The expected losses or specific losses represent the Bank's expectation of loss as of the date when the settlement is due, which is loan loss percentage that differ according to the type of facility, the availability of guarantees and any other credit cover.

Debt instruments and treasury bills and other bills:

For debt instruments and bills, the Bank is using the external classifications such as Standard & Poor's or equivalent to manage credit risk, in case such ratings are not available, methods similar to those applied to credit customers are used. Investments in securities and treasury bills are regarded as a way to get better credit quality at the same time provide a source available to meet funding requirements.

A/2 Limiting and avoiding risks policies

The Bank manages and controls credit concentrations at the borrower's level, groups of borrowers' level, industries level and countries level.

The Bank manage the credit risk it undertakes by placing limits on the amount of risk accepted in relation to single borrower, or groups of borrowers, and to the geographical and industry segments. Such risks are monitored on a regular basis and subject to an annual or more frequent review, when considered necessary.

The top management reviews on quarterly basis the borrower, or groups of borrowers, geographical and industry segments and country credit concentration.

The lines of credit are divided, to any borrower including banks, into sub limits include amounts inside and outside the balance sheet, the daily limit risk on trading items such as forward foreign exchange contracts, the actual amounts are compared with the limit every day.

Exposure to credit risk is also managed through regular analysis of the existing and potential borrowers' ability to meet their obligations and through changing the lending limits where appropriate.

The following are other controls used by the bank to limit the credit risk.

Collaterals

The bank use different methods to limit its credit risk. One of these methods is accepting collaterals against loans and facilities granted by the bank. The bank implements guidelines for collaterals to be accepted. The major types of collateral against loans and facilities are:

- Real estate mortgage
- Business assets mortgage such as machines and goods.
- Financial instruments mortgage such as debt and equity instruments.

The Bank keen to obtain the appropriate guarantees against corporate entities of long term finance while individual credit facilities are generally unsecured.

In addition, to minimize the credit loss the bank will seek additional collaterals from all counterparties as soon as impairment indicators are noticed for a loan or advance.

The Bank determine type of collaterals the Bank held by the bank as security for financial assets other than loans and facilities according to the nature of the instrument, generally, debt securities and treasury bills are unsecured, except for asset-backed securities and similar instruments are secured by a financial instrument portfolio.

Credit-related commitments

The primary purpose of these commitments is to ensure that funds are available to customer when required. Guarantees and standby letters of credit are of the same credit risks as loans.

Documentary and commercial letters of credit – which are issued by the Bank on behalf of customer by which authorizing a third party to draw within a certain limit in accordance to specific terms and conditions and guaranteed by the goods under shipment are of lower risk than a direct loan.

Credit related commitment represent the unused portion of credit limit of loans, guarantees or letters of credit. With respect to credit risk related to credit related commitments, the Bank is exposed to probable loss of amount equal to the total unused limit. However, the probable amount of loss is less than the unused limit commitments, as most commitments represent commitments to customers maintaining certain credit standards. The Bank monitors the maturity term of the credit commitments because long-term commitments are of high credit risk than short-term commitments.

A /3 Impairment and provisioning policies

The internal rating systems described in Note (A/1) focus more on credit-quality at the inception of lending and investment activities. Otherwise, impairment provisions recognized at the balance sheet date for financial reporting purposes are losses that have been incurred and based on objective evidence of impairment as will be mentioned in note (J/3).

Due to the different methodologies applied, the amounts of incurred credit losses charged to the financial statements are usually lower than the expected amount determined from the expected loss models used.

The impairment provision appeared in the balance sheet at the end of the year is derived from the four internal rating grades. However, the majority of the impairment provision comes from the last two ratings. The table below shows the percentage of in-balance sheet items relating to loans, facilities and the related impairment for each rating:

Bank's rating	31 /12/ 2015 Loans & facilities %	31 /12/ 2015 Impairment provision %	31 /12/ 2014 Loans & facilities %	31 /12/ 2014 Impairment provision %
Performing loans	29,97	5,7	9,70	7,40
Regular watching	53,61	21,89	79	22,32
Watch list	2,96	2,09	1,60	1,14
Non-performing loans	13,46	70,32	9,70	69,14
Total	100	100	100	100

A/4 Banking general risk measurement module

In addition to the four categories of the bank's internal credit rating indicated in note (A/1), management classifies loans and advances abased on more detailed sub groups in accordance with the CBE regularizes,

Assets exposed to credit risk in these categories are classified according to detailed conditions and terms depending heavily on information related to the customer, his activities, financial position and payment schedules.

The Bank calculates required provisions for impairment of assets exposed to credit risk, including commitments relating to credit on the basis of rates determined by CBE.

The following are the categories of credit ratings for the institutions in accordance with the four internal rating grades compared to the bases of the CBE assessment and provisions percentage required for the impairment of assets exposed to credit risk:

CBE Ratings	Rating indications	Provision percentage required	Internal Ratings	Internal Ratings Granting
1	Low risk	Zero	1	Performing loans
2	Moderate risk	1 %	1	Performing loans
3	Satisfactory risk	1 %	1	Performing loans
4	Appropriate risk	2 %	1	Performing loans
5	Acceptable risk	2 %	1	Performing loans
6	Marginally Acceptable risk	3 %	2	Regular watching
7	Watch list	5 %	3	Watch list
8	Substandard	20 %	4	Non-performing loans
9	Doubtful	50 %	4	Non-performing loans
10	Bad debt	100 %	4	Non-performing loans

A/5 Maximum limits for credit risk before collaterals and after deducting the provisions:

	31 /12/ 2015	31 /12/ 2014
Balance sheet items exposed to credit risks		
Treasury bills and other governmental notes	790 422	660 558
Loans to Banks	100 000	50 000
Loans and facilities to customers:		
Retail loans:		
- Overdrafts	997	3 506
- Credit cards	569	463
- Personal loans	62 387	71 348
Corporate loans:		
- Overdrafts	3 018	1 164
- Syndicated loans	408 787	388 716
- Direct loans	1 040 841	1 001 522
Financial investments:		
- Debt instruments	82 105	121 193
Other assets	34 035	29 886
Total	**2 523 161**	**2 328 356**
Off-balance sheet items exposed to credit risk		
- Letters of credit	26 178	36 462
- Letters of guarantee	148 965	124 575
- Companies loans commitment	54 564	36 140
Total	229 707	**197 177**

The above table represents the bank Maximum exposure to credit risk on December 31, 2015 – December 31,2014 before taking account of any held collateral. For assets recognized on balance sheet, the exposures set out above are based on net carrying amounts as reported in the balance sheet.

As shown above 65% on December 31, 2015 of the total maximum exposure is derived from loans and advances to banks and customers compared to 66% on December 31, 2014, while investments in debt instruments represents 3.3% on December 31, 2015 compared to 5.3% on December 31, 2014.

Management is confident in its ability to continue to control and sustain minimal exposure of credit risk resulting from both its loans and advances portfolio and debt instruments based on the following :

- 83.57% on December 31, 2015 of the loans and advances are concentrated in the top two grades of the internal credit risk rating system compared to 89% on December 31, 2014.
- 86.50% on December 31, 2015 of loans and advances portfolio are considered to be neither past due nor impaired compared to 90% December 31, 2014.
- Loans and advances assessed individually are valued U.S.$ 218 thousand on December 31, 2015 compared to U.S.$ 147 thousand on December 31, 2014.
- The bank has implemented more prudent processes when granting loans and advances during the financial year ended on December 31, 2015 .
- 99% on December 31, 2015 of the investments in debt instruments are Egyptian Government instrument compared to 87% on December 31, 2014.

A/6 Loans and facilities

loans and advances by ORR are summarized as follows:

	31 /12/ 2015				31/12/2014			
	Loans & facilities to customers	Loans & facilities corporate	Loans & facilities to banks	Net Total	Loans & facilities to customers	Loans & facilities corporate	Loans & facilities to banks	Net Total
Neither past due nor impaired *	63 589	1 235 374	100 000	1 398 963	74 936	1 245 042	50 000	1 369 978
Past due but not impaired	--	--	--	--	--	--	--	--
Impaired	364	217 272	--	217 636	381	146 360	--	146 741
Gross	63 953	1 452 646	100 000	1 616 599	75 317	1 391 402	50 000	1 516 719
Less: Impairment loss provision **	760	114 346	--	115 106	422	107 069	--	107 491
Interest in suspense	202	62 740	--	62 942	198	60 424	--	60 622
Net	**62 991**	**1 275 560**	**100 000**	**1 438 551**	**74 697**	**1 223 909**	**50 000**	**1 348 606**

**Impairment loss provision for loans and advances reached U.S.$ 115 106 thousand on December 31, 2015 compared to U.S.$ 107 491 thousand on December 31, 2014. Impairment individually loans valued U.S.$ 80 930 thousand on December 31, 2015 compared to U.S.$ 74 311 thousand on December 31, 2014. The rest of the loans portfolio which is U.S.$ 34 176 thousand on December 31, 2015 compared to U.S.$ 33 180 thousand on December 31, 2014 represent the impairment based on the groups of credit portfolio.

* Loans and facilities neither past due nor impaired

The credit quality for the loans and facilities portfolio (neither past due nor impaired) valued upon the internal valuation used by others

Loans and facilities status based on internal credit rating are summarized follows:

Neither past due nor impaired

Individual

31/12/2015	Overdrafts	Credit cards	Personal loans	Total loans & advanced
1- Performing	--	465	43 187	43 652
2- Regular watching	967	104	18 866	19 937
3- Watch list	--	--	--	--
4- Non-performing loans	30	--	334	364
Total	**997**	**569**	**62 387**	**63 953**

Corporate and banks

31/12/2015	Overdrafts	Direct loans	Syndicated loans	Banks loans	Total loans & advanced
1- Performing	581	295 484	44 754	100 000	440 819
2- Regular watching	34	509 453	337 165	--	846 652
3- Watch list	283	47 619	--	--	47 902
4- Non-performing loans	2 120	188 285	26 868	--	217 273
Total	**3 018**	**1 040 841**	408 787	100 000	1 552 646

Individual

31/12/2014	Overdrafts	Credit cards	Personal loans	Total loans & advanced
1- Performing	3 481	--	70 992	74 473
2- Regular watching	--	463	--	463
3- Watch list	--	--	--	--
4- Non-performing loans	25	--	356	381
Total	**3 506**	**463**	**71 348**	**75 317**

Corporate and banks

31/12/2014	Overdrafts	Direct loans	Syndicated loans	Banks loans	Total loans & advanced
1- Performing	153	6 464	14 808	50 000	71 425
2- Regular watching	--	825 308	373 908	--	1 199 216
3- Watch list	--	24 401	--	--	24 401
4- Non-performing loans	1 011	145 349	--	--	146 360
Total	**1 164**	**1 001 522**	**388 716**	**50 000**	**1 441 402**

The guaranteed loans is not considered to be impaired and that's regardless the effectiveness of the collaterals.

Past due loans and facilities and not impaired

They are loans and facilities having past due up to 90 days and not considered impaired, unless there is information to the contrary . There is no loans and facilities having past due and not subject to impairment on December. 31, 2015.

In the initial recognition for the loans & facilities the collaterals fair value is values as per the benchmark in the subsequent periods the fair value will be adjusted as per the market value or the benchmark

Loans and facilities individually subject to impairment

*** Loans and facilities to customers**

Loans and facilities individually subject to impairment before taking into consideration cash flows from guarantees amounted to U.S.$ 217 636 thousand on December. 31, 2015 (U.S.$ 146 741 thousand as of December. 31, 2014) .

The breakdown of the total loans and facilities individually subject to impairment including fair value of collateral obtained by the bank are as follows:

31/12/2015	Individual overdrafts	Corporate other loans	Total
Individual loans subject to impairment			
Including fair value of guarantees	364	217 272	217 636

31/12/2014	Individual overdrafts	Corporate other loans	Total
Individual loans subject to impairment			
Including fair value of guarantees	381	146 360	146 741

A/7 - Debt instruments and treasury bills and other governmental securities

The table below shows an analysis of debt instruments and treasury bills and other governmental securities according to the rating agencies at the end of the financial year.

	Treasury bills and other governmental securities	Treasury bonds	Total
Treasury bills & Bonds (B-)	790 422	72 440	862 862
Total	**790 422**	72 440	**862 862**

A/8- Acquisition of Collaterals

- The Bank has not acquired assets based on the acquisition of collaterals during the current financial year.
- The assets acquired by the Bank are classified under the item of other assets in the balance sheet and these assets are to be sold whenever applicable.

A/9 - Concentration of Financial Assets Risks Exposed to Credit Risk

Geographical Sectors

The following table represents an analysis of the most significant credit risk limits of the Bank at book value and their distribution according to the geographical sectors at the end of the current financial year. When we prepared this table, we distributed the risks over the geographical sectors based on the areas related to the customers of the Bank.

	Greater Cairo	Alexandria	Port Said	Total
Treasury bills &other government notes	790 422	--	--	790 422
Loans – local banks	100 000	--	--	100 000
Loans and facilities to customers:				
- Loans to individuals:				
- Overdrafts	873	122	2	997
- Credit cards	554	14	1	569
- Personal loans	57 890	4 126	371	62 387
- Loans to Corporate:				
- Overdrafts	3 016	--	2	3 018
- Direct loans	1 024 384	14 350	2 107	1 040 841
- Syndicated loans	408 787	--	--	408 787
Financial investments:				
- Debt instruments	9 665	--	--	9 665
- Held to maturity date	72 440	--	--	72 440
Total as at 31 December 2015	**2 468 031**	**18 612**	**2 483**	**2 489 126**
Total as at 31 December 2014	**2 275 674**	**21 145**	**1 651**	**2 298 470**

Business Sectors

The following table represents an analysis of the most significant credit risk limits of the Bank at book value distributed according to the business activity practiced by the customers of the Bank

	Financial Institutions	Industrial Institutions	Commercial	Mining &Petroleum Services	Real Estate Activities	Government Sector	Other Activities	Total
Treasury bills & other government notes	--	--	--	--	--	790 422	--	**790 422**
Loans – local banks	100 000	--	--	--	--	--	--	**100 000**
Loans and facilities to customers:								
• **Loans to individuals:**								
- Overdrafts	--	--	--	--	--	--	997	**997**
- Credit cards	--	--	--	--	--	--	569	**569**
- Personal loans	--	--	--	--	--	--	62 387	**62 387**
• **Loans to Corporate:**								
- Overdrafts	--	631	398	1 454	6	--	529	**3 018**
- Direct loans	1 108	292 274	58 382	384 371	9 232	163 071	132 403	**1 040 841**
- Syndicated loans	--	121 280	--	172 346	--	--	115 161	**408 787**
• **Financial investments:**								
- Debt instruments	9 665	--	--	--	--	--	--	**9 665**
- Held to maturity date	--	--	--	--	--	72 440	--	**72 440**
Total as of 31 December 2015	**110 773**	**414 185**	**58 780**	**558 171**	**9 238**	**1 025 933**	**312 046**	**2 489 126**
Total as of 31 December 2014	**240 489**	**260 130**	**113 935**	**465 426**	**11 630**	**843 670**	**363 190**	**2 298 470**

B - Market risk

The bank exposed to market risks which is the risk that the fair value or future cash flow fluctuation resulted from changes in market prices. Market risks arise from open market related to interest rate, currency, and equity products of which each is exposed to general and specific market movements and changes in sensitivity levels of market rates or prices such as interest rates, foreign exchange rates and equity instrument prices. The Bank divides its exposure to market risk into trading and non-trading portfolios.

The market risk management resulting from trading and non-trading portfolios is concentrated in the risk department of the Bank and they are followed up by two separate teams. Interim reports on market risk are presented to the Board of Directors and the heads of business activity units on regular basis.

Trading portfolios include transactions where the Bank deals direct with clients or with the market; Non-trading portfolios primarily arise from managing assets and liabilities interest rate relating to retail transactions. Non-trading portfolios also includes foreign exchange risk and equity instruments risks arising from the Bank's held-to-maturity and available for sale investments portfolios.

B/1 Market risk measurement techniques

As part of market risk management the Bank undertakes various hedging strategies and enters into swaps to match the interest rate risk associated with the fixed-rate long-term loans if the fair value option has been applied. The major measurement techniques used to measure and control market risk are outlined below:

Value at Risk

The Bank applies a 'value at risk' methodology (VAR) for trading and non-trading portfolios to estimate the market risk of positions held and the maximum expected losses based on a number of assumptions for various changes in market conditions. The Board sets limits for the value of risk that may be accepted by the Bank for trading and non- trading portfolios and monitored by the Risk Management department in the bank.

Stress Testing

Stress testing provides an indicator of the expected losses that may arise from sharp adverse circumstances. Stress testing is designed to match business using standard analysis for specific scenarios. The stress testing carried out by the Bank treasury. Stress testing include: risk factor stress testing where sharp movements are applied to each risk category and test of emerging market stress, as emerging market portfolios are subject to sharp movements; and subject to special stress test including possible stress events to specific positions or regions - for example the stress outcome to a region applying a free currency rate.

The results of the stress testing are reviewed by top management and Board of directors.

B /2 Foreign exchange volatility risk

The Bank is exposed to foreign exchange rate volatility risk in terms of the financial position and cash flows. The Board of Directors set aggregate limits for foreign exchange for each position at the end of the day, and during the day which is controlled on timely basis. The following table summarizes the Bank exposure to foreign exchange volatility risk at the end of the financial year.

The following table includes the carrying amounts of the financial instruments in their currencies:

31 December 2015	USD	Euro	GBP	L.E	Other	Total
Financial assets						
Cash and balances with Central banks	18 291	2 785	1 483	21 701	191	44 451
Due from banks	196 560	222 412	110 341	39 293	6 257	574 863
Treasury bills	512 124	123 508	-	154 790	-	790 422
Loans and facilities to customers	1 318 724	80 626	22	39 179	-	1 438 551
Financial investments:						
Available for sale	35 401	-	-	-	-	35 401
Held to maturity	50 852	-	-	21 588	-	72 440
Investments properties	17 483	-	-	-	-	17 483
Investments in associates	311 601	-	-	184 515	-	496 116
Other assets	29 748	955	40	3 292	-	34 035
Total financial assets	**2 490 784**	**430 286**	**111 886**	**464 358**	**6 448**	**3 503 762**
Financial liabilities						
Due to banks	468 498	231 186	3 479	2 587	2 300	708 050
Customer deposits	1 411 735	191 154	107 587	227 252	6 168	1 943 896
Other liabilities	24 800	609	658	3 957	45	30 069
Total financial liabilities	**1 905 033**	**422 949**	**111 724**	**233 796**	**8 513**	**2 682 015**
Net financial position	**585 751**	**7 337**	**162**	**230 562**	**(2 065)**	**821 747**

31 December 2014	USD	Euro	GBP	L.E	Other	Total
Financial assets						
Cash and balances with Central banks	29 362	2 186	1 454	2	873	33 877
Due from banks	178 766	56 090	124 537	152	7 884	367 429
Treasury bills	486 403	133 084	-	41 071	-	660 558
Loans and facilities to customers	1 276 082	72 392	19	4	109	1 348 606
Financial investments:						
Available for sale	48 781	-	-	-	1 583	50 364
Held to maturity	106 491	-	-	-	-	106 491
Investments properties	17 483	-	-	-	-	17 483
Investments in associates	303 641	-	-	185 500	-	489 141
Other assets	27 282	424	389	1 789	2	29 886
Total financial assets	**2 474 291**	**264 176**	**126 399**	**228 518**	**10 451**	**3 103 835**
Financial liabilities						
Due to banks	468 154	33 330	4 117	-	1 480	507 081
Customer deposits	1 429 472	227 782	121 358	-	7 289	1 785 901
Other liabilities	26 717	218	576	697	14	28 222
Total financial liabilities	**1 924 343**	**261 330**	**126 051**	**697**	**8 783**	**2 321 204**
Net financial position	**549 948**	**2 846**	**348**	**227 821**	**1 668**	**782 631**

B /3 Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Bank is exposed to the effect of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may profit decrease in the event that unexpected movements arise. The Board sets limits on the level of mismatch of interest rate reprising that may be undertaken which is monitored daily by the bank`s Risk department.

The table below summarizes the Bank's exposure to interest rate risks. It includes the Bank's financial instruments at carrying amounts categorized by the earlier of re-pricing or maturity dates.

31 December 2015	Up to 1 month	1-3 Months	3-12 Months	1-5 years	Over 5 years	Total
Financial Asset						
Cash and balances with Central banks	44 451	-	-	-	-	44 451
Due from banks	313 450	96 090	165 323	-	-	574 863
Treasury bills	141 529	420 431	228 462	-	-	790 422
Loans and facilities to customers	343 797	413 419	219 080	363 475	98 780	1 438 551
Financial investments:						
Available for sale	-	-	-	12 518	22 883	35 401
Held to maturity	-	-	-	72 440	-	72 440
Investments in associates	-	-	-	-	496 116	496 116
Other assets	-	-	34 035	-	-	34 035
Total financial assets	**843 227**	**929 940**	**646 900**	**448 433**	**617 779**	**3 486 279**
Financial liabilities:						
Due to banks	244 002	234 743	229 305	-	-	708 050
Customers' deposits &Certificates of deposits	957 334	231 602	269 898	485 062	-	1 943 896
Other liabilities	-	-	30 069	-	-	30 069
Total financial liabilities	**1 201 336**	**466 345**	**529 272**	**485 062**	**-**	**2 682 015**
Interest re-pricing gap	**(358 109)**	**463 595**	**117 628**	**(36 629)**	**617 779**	**804 264**

31 December 2014	Up to 1 month	1-3 Months	3-12 Months	1-5 years	Over 5 years	Total
Total financial assets	693 519	841 634	644 328	306 713	600 158	3 086 352
Total financial liabilities	1 152 051	487 909	424 787	256 457	-	2 321 204
Interest re-pricing gap	**(458 532)**	**353 725**	**219 541**	**50 256**	**600 158**	**765 148**

C- Liquidity risk

Liquidity risk represents difficulty encountering the Bank in meeting its financial commitments when they fall due and replace funds when they are withdrawn. This may results in failure in fulfilling the Bank obligation to repay to the depositors and fulfilling lending commitments.

Liquidity risk management process

The Bank's liquidity management process carried out by the Bank liquidity management department includes:

- Daily funding managed by monitoring future cash flows to ensure that all requirements can be met when due this includes availability of liquidity as they due or to be borrowed to customers. To ensure that the Bank reaches its objective the Bank maintains an active presence in global money markets.
- The Bank maintains a portfolio of highly marketable and diverse assets that assumed to be easily liquidated in the event of an unforeseen interruption of cash flow
- Monitoring liquidity ratios in relation with internal requirements and central bank of Egypt requirements.

- Managing loans concentration and dues.

The main period for liquidity management is the next day, week and month. The Bank calculates the expected cash flow for those years for monitoring and reporting purposes.

The starting point to calculate these expectations is analyzing the financial liabilities dues and expected financial assets collections.

Credit risk department monitor the mismatch between medium term assets, the level and nature of unused loans limits, overdraft utilizations, and the effect of contingent liabilities such as letters of guarantees and letters of credit.

Funding approach

Sources of liquidity are regularly reviewed by bank treasury to maintain a wide diversification by currency geography source products and terms.

D- Operating Risk:

The definition of operating risk is "the risk of a change in value caused by the fact that actual direct losses and / or indirect losses, incurred for inadequate or failed internal processes, people and systems, from external events (including legal risk) differ from the expected losses" or any operating events that impact negatively on the reputation of the Bank, the continuity of the business as a going concern and / or the market value of the Bank.

The Framework of the Operating Risk Department

The operating risk department is considered as a significant part that supports the various activities of the Bank with respect to its role in identifying and assessing the relevant risks and the required controls to prevent and mitigate the operating losses in addition to participating in enhancing the competency and efficiency of utilizing the various resources of the Bank.

The policy of the operating risk department aims at laying out a general framework to consolidate its efficiency and providing support to the governance system through enlightenment and spreading the risk culture among all employees, complete awareness of the targets of the operating risk department, how to classify risks, the difference between the operating risk and the other kinds of risks, the duties and responsibilities of management and supervision, the methods and approaches used inside the Bank for determination, measurement, reporting and follow up to limit and mitigate the operating risks.

The operating risk department is concentrating its attention on the spreading of risk culture and the awareness of the importance of identifying, reviewing, examining policies, procedures and work systems, making researches to enhance systems and their security methods, the oversight controls to prevent and mitigate the operating risks.

Meanwhile, the operating risk department is taking the lead in cooperation with all the departments of the Bank to identify indications that give early warning in regard to the events that may expose the Bank to any sort of possible risks.

The operating risk department started working on establishing operating events database along with their classification that is in conformity with the standards laid out by "Basel II" Accords and the classification of operating risks stated therein.

The data collection process relies on the internal operating events reports in addition to all relevant external events. The said data is used in analyzing and monitoring the root causes of the operating risks, the frequency of events, evaluating the corrective measures and the controls adopted by the Bank to prevent and mitigate the operating risks.

E- Fair value of financial assets and liabilities

Financial instruments not measured at fair value

The table below summarizes the carrying amounts and fair values for those financial assets and liabilities not presented on the Bank's balance sheet at their fair value:-

31 December, 2015	Carrying value	Fair value
Financial assets		
Loans and facilities to banks	100 000	100 000
Loans and facilities to customers :*		
- Individuals	63 953	63 953
- Corporate	1 552 646	1 552 646
Financial investments:		
- Equity instruments available for sale (unquoted)	22 883	-
- Held to maturity	72 440	73 169
- Investments in associates	496 116	-
Financial liabilities		
Customer deposits :		
- Individuals	1 471 218	1 471 218
- Corporate	472 678	472 678

* The fair value of balances of loans and facilities granted to customers & banks was not calculated.

F- Capital management

The Bank's objectives behind managing capital include elements other than equity shown in the balance sheet are represented in the following:

- Compliance with capital legal requirements in Egypt.
- Protecting the Bank's ability to continue as a going concern and enabling it to generate yield for shareholders and other parties dealing with the Bank.
- Maintaining a strong capital base to enhance growth.

Capital adequacy and uses are reviewed on a daily basis according to the regulatory authority's requirements (CBE) by the Bank's management through models based Basel committee for banking control instructions, these data are submitted to CBE on quarterly basis.

CBE requires the following from the Bank:

- Maintaining L.E 500 million as a minimum requirement for the issued and paid up capital.
- Maintaining a ratio between capital elements and asset and contingent liability elements weighted by risk weights at 10 % or more.

The numerator in capital adequacy comprises the following two tiers:

- **Tier 1:** It is the basic capital comprising of paid up capital (after deducting the carrying amount of the treasury stocks) retained earnings and reserves resulting from profit appropriations except the general reserve for banking risks less any goodwill previously recognized and any carried forward losses.
- **Tier 2:** it is the supplementary capital that is comprised of the equivalent of the general risk provision which is formed based on the Obligor Risk Rating and Provisioning Rules issued by the Central Bank of Egypt in a manner that does not exceed 1.25% of the total assets and contingent liabilities risk weighted, subordinated loans / deposits of more than five-year-maturity period (while amortizing 20% of their value in each year of the last five years of their maturity period) in addition to 45% of the increase resulting from the difference between the fair value and the carrying value of both financial investments available for sale and held to maturity date and investments in subsidiaries and associates.

When calculating the total numerator of the capital adequacy ratio, taking in consideration not exceeding subordinated loans (deposits) for 50% of the first tranche after exclusions.

Assets and liabilities are weighted by credit risk, market risk, operational risk.

Assets are risk weighted ranging from zero to 100% classified according to the nature of each asset of the debtor to reflect the credit risk associated with it, and taking in consideration the cash collateral.

And the same treatment is used for off-balance amounts after adjustments to reflect the contingent nature and the potential loss of those amounts.

The following table summarizes the components of the initial and supplementary capital in addition to the capital adequacy percentages as at 31 December 2015.

	31/12/2015	31/12/2014
Tier 1 Capital		
Paid up capital	450 000	450 000
Statutory reserve	107 306	102 516
General reserve	73 582	73 582
Profits carried forward	83 704	51 900
Profits of the year	-	36 594
Shareholders' dividends	-	-
Total Basic Capital	**714 592**	**714 592**
Less:		
Investments in financial institutions:		
Amount exceeding 10% of the issued capital of the company for each separate investment	(119 590)	(160 563)
Total investments increase that was not deducted for the 10% of the initial capital of the bank after the supervisory amendments	-	-
Subordinated loans	(40 000)	(50 000)
Investments in non-financial institutions:		
50% of the increase amount for each separate company for the 15% of the initial capital of the bank before the supervisory amendments.	(15 115)	(11 981)
50% of the increase amount of the total investments that was not deducted for the 60% of the basic capital of the bank before the supervisory amendments.	-	-
	(174 705)	**(222 544)**
Total Tier 1 Capital	**539 887**	**492 048**
Tier 2 Capital		
Impairment losses provision for performing loans & facilities	34 176	33 180
Impairment losses provision for performing contingent liabilities	2 485	-
45% of the increase resulting from the difference between the fair value and the carrying value of financial investments in associates	32 684	33 261
45% of the balance of positive fair value financial investments reserve	545	1 617
	69 890	68 058
Less:		
50% of the increase amount for each separate company for the 15% of the basic capital of the bank before the supervisory amendments.	(15 115)	(11 981)
50% of the increase amount of the total investments that was not deducted for the 60% of the basic capital of the bank before the supervisory amendments.	-	-
	(15 115)	(11 981)
Total Tier 2 Capital	**54 775**	**56 077**
Total capital base (1)	**594 662**	**548 125**
Risk weighted assets & contingent liabilities		
Credit risk of included in and off-balance sheet items	3 616 808	3 529 454
Exchange risk	41 935	45 705
Operating risk	141 515	144 909
Total risk weighted assets & contingent liabilities (2)	3 800 258	3 720 068
Capital adequacy ratio (1) /(2)	15,65 %	14,73 %

The following table summarizes the financial leverage ratio (as a guiding ratio till the year 2017)

	31/12/2015
Tier 1 Capital after disposals	**539 888**
Cash and Due from Central Bank	71 624
Balances due from banks	621 238
Treasury bills & government securities	790 422
Available for sale Investments	36 796
Held to maturity Investments	72 440
Investments in subsidiaries & associates	482 955
Loans &credit facilities granted to customers	1 472 727
Fixed assets (after deducting impairment losses provision and accumulated depreciation)	39 678
Other assets	51 519
The amount of exposure deducted (after disposing the first tier of the capital base)	(134 704)
Total exposure of banks in the balance sheet (after deducting the disposals of the first tier)	**3 504 695**
Letter of credit - imports	1 838
Letter of credit - exports	78
Letters of guarantee	52 942
Letters of guarantee upon other banks' request or by their warranty	15 239
Accepted bills	7 148
Total contingent liabilities	77 245
Commitments for loans & facilities to banks / customers (unused limit) of principal maturity	
Irrevocable – one year or less	10 913
Total commitments	10 913
Total off- balance sheet exposure	88 158
Total balance sheet & off- balance sheet exposure	3 592 853
Financial leverage ratio (1/2)	**15,03%**

(4) Significant accounting estimates and assumptions

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates and assumptions are continually evaluated based on historical experience and other factors including the expectations of future events that are believed to be reasonable.

4/A -Impairment losses for loans and facilities

The Bank reviews the portfolio of loans and facilities at least quarterly. The Bank uses professional judgment in determining whether it is necessary to recognize impairment loss in the income statement, 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 borrowers' portfolio ability to repay to the Bank, or local or economic circumstances related to default. On rescheduling future cash flows the management uses the 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.

4/B- Impairment of available for sale equity investments

The Bank determines that available-for-sale equity investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgment. In making this judgment, the Bank evaluates, among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial situation of the investee or its operational or financing cash flows, industry and sector performance or changes in technology.

4/C- Held-to-maturity investments

The Bank classifies non-derivative financial assets with fixed or determinable payments and fixed maturity as held to maturity. This classification requires significant judgment. In making this judgment, the Bank evaluates its intention and ability to hold such investments to maturity. If the Bank fails to keep these investments to maturity other than for the specific circumstances – for example, selling an insignificant amount close to maturity – it will be required to reclassify the entire category as available for sale. The investments would therefore be measured at fair value not amortized cost.

In case the use of investments classification is suspended on the basis that they are held to maturity, the carrying value will be increased with the amount of US$ 729 thousand to reach the fair value through recording a contra entry in the fair value reserve included in equity.

(5) Sector Analysis

A- Geographical Sectors Analysis

31 December 2015	Greater Cairo	Alexandria	Port Said	Total
Revenues &expenses according to the geographical sectors				
- Geographical sectors revenues	138 735	2 168	529	141 432
- Geographical sectors expenses	(77 081)	(3 549)	(1 378)	(82 008)
Sector operating income	**61 654**	**(1 381)**	**(849)**	**59 424**
Profit (loss) for the year	**61 654**	**(1 381)**	**(849)**	**59 424**
Assets & liabilities according to the geographical sectors				
- Geographical sectors assets	3 516 257	22 689	4 494	3 543 440
Total assets	**3 516 257**	**22 689**	**4 494**	**3 543 440**
Geographical sectors liabilities	3 348 251	149 378	45 811	3 543 440
Total liabilities	**3 348 251**	**149 378**	**45 811**	**3 543 440**

31 December 2014	Greater Cairo	Alexandria	Port Said	Total
Revenues &expenses according to the geographical sectors				
- Geographical sectors revenues	121 247	1 875	220	123 342
- Geographical sectors expenses	(71 918)	(2 742)	(788)	(75 448)
Sector operating income	**49 329**	**(867)**	**(568)**	**47 894**
Profit (loss) for the year	**49 329**	**(867)**	**(568)**	**47 894**
Assets & liabilities according to the geographical sectors				
Geographical sectors assets	3 115 586	24 677	3 000	3 143 263
Total assets	**3 115 586**	**24 677**	**3 000**	**3 143 263**
Geographical sectors liabilities	2 967 206	135 110	40 947	**3 143 263**
Total liabilities	**2 967 206**	**135 110**	**40 947**	**3 143 263**

(6) Net interest income

	31/12/2015	31/12/2014
Interest from loans and similar revenues:		
Loans and facilities :		
Banks	584	299
Customers	62 593	58 766
	63 177	59 065
Financial investments	34 150	22 049
Deposits with Banks	2 971	1 583
Total	**100 298**	**82 697**
Costs of Deposits and similar costs:		
Deposits and current accounts:		
Banks	(7 858)	(7 114)
Customers	(25 085)	(11 641)
Total	**(32 943)**	**(18 755)**
Net	**67 355**	**63 942**

(7) Net fees and commission income

	31/12/2015	31/12/2014
Fees and commission income:		
Fees and commissions related to credit	7 468	5 588
Institution's finance services fees	5 330	4 553
Other fees	3 593	3 013
Total	16 391	13 154
Fees and commission expenses:		
Other fees paid	(87)	(134)
Net	16 304	13 020

(8) Dividends income

	31 /12/ 2015	31 /12/ 2014
Available for sale investments	540	616
Total	**540**	**616**

(9) Net trading income

	31 /12/ 2015	31 /12/ 2014
Foreign exchange operations:		
Forex gain	2 727	2 546
Trading Investments	-	(17)
Total	**2 727**	**2 529**

(10) Administrative expenses

	31 /12/ 2015	31 /12/ 2014
Staff costs		
Wages and salaries	20 384	22 355
The bank contribution in employees fund	3 871	4 061
Amortization of staff pension subordinated loan	6 795	4 965
	31 050	31 381
Fixed assets depreciation	1 343	2 009
Other administrative expense	5 774	7 726
Total	**38 167**	**41 116**

The monthly average of the amounts paid highest remunerations and salaries in the Bank amounted to US$ 421 720 for the financial year ended as at 31 December 2015 corresponding to the amount of US$ 445 600 for the financial year ended as at 31 December 2014.

(11) Other operating income (expenses)

	31 /12/ 2015	31 /12/ 2014
Investments properties impairment losses	-	(4 575)
Assets transferred to bank impairment losses	-	(3 029)
Gain (loss) revaluation monetary assets & liabilities balances other than trading or the initially classified by fair value through profit & loss	(3 456)	(1 933)
Other income	1 422	1 130
Other provisions charges	(229)	(2 914)
Other expenses	(451)	(410)
Total	**(2 714)**	**(11 731)**

(12) Earnings per share

	31 /12/ 2015	31 /12/ 2014
Net profit for the year	59 424	47 894
Board of directors remuneration	(2 500)	(2 410)
Employees' profit share	(8 500)	(8 890)
Shareholders' profit share	48 424	36 594
Common shares outstanding	30 000	30 000
Earnings per (US.$/share)	1614,1	1219,8

(13) Cash and Due from Central Bank

	31 /12/ 2015	31 /12/ 2014
Cash	26 452	33 877
Due from central bank (within the required reserve percentage)	17 999	-
	44 451	**33 877**
Non-interest bearing balances	44 451	33 877
Total	**44 451**	**33 877**

(14) Due from banks

	31 /12/ 2015	31 /12/ 2014
Current accounts	23 686	63 852
Deposits	551 177	303 577
	574 863	**367 429**
Due from central bank (other than the required reserve percentage)	53 625	-
Local Banks	447 007	218 328
Foreign Banks	74 231	149 101
Total	**574 863**	**367 429**
Non- interest bearing balances	29 326	4 469
Interest bearing balances	545 537	362 960
	574 863	**367 429**
Current balances	557 848	367 429
Non-current balances	17 015	-
Total	**574 863**	**367 429**

(15) Treasury bills

	31 /12/ 2015	31 /12/ 2014
Treasury bills represent the following:		
90 days maturity	67 270	38 507
180 days maturity	47 826	-
270 days maturity	43 447	1 590
364 days maturity	**640 200**	**625 274**
	798 743	665 371
Unearned interest	(8 321)	(4 813)
Total	**790 422**	**660 558**

(16) Loans and facilities to customers

	31 /12/ 2015	31 /12/ 2014
Banks :		
Loans	100 000	50 000
Total (1)	**100 000**	**50 000**
Retail :		
Overdrafts	997	3 506
Credit cards	569	463
Personal loans	62 387	71 348
Total (2)	**63 953**	**75 317**
Corporate loans including small loans:		
Overdrafts	3 018	1 164
Direct loans	1 040 841	1 001 522
Syndicated loans	408 787	388 716
Total (3)	**1 452 646**	**1 391 402**
Total loans and advance to customers (1+2+3)	**1 616 599**	**1 516 719**
- Less :		
Loans loss provisions	(115 106)	(107 491)
Interest in suspense	(62 942)	(60 622)
Net	**1 438 551**	**1 348 606**
Current Balance	1 361 679	1 336 799
Non Current Balance	76 872	11 807
Total	**1 438 551**	**1 348 606**

Provision for impairment losses

The Provision for impairment losses analysis for loans and facilities to customers' as follows:

	31 /12/ 2015	31 /12/ 2014
Balance at the beginning of the year	**107 491**	**148 212**
Impairment charge During the year	7 926	807
Written off	(565)	(41 657)
Transfers	160	129
Proceeds from loans previously written off	94	-
Balance at the end of the year	**115 106**	**107 491**

(17) Financial investments

	31 /12/ 2015	31 /12/ 2014
Available for sale investments		
Debt instruments – Fair value	9 665	14 702
Financial instruments measured at fair value		
Quoted	2 853	12 495
Unquoted	22 883	23 167
Total Available for sale investment (1)	**35 401**	**50 364**
Held to maturity investments		
Quoted	72 440	106 491
Total held to maturity instruments (2)	**72 440**	**106 491**
Total Financial instruments (1+2)	**107 841**	**156 855**
Current balances	-	91 821
Non-current balances	107 841	65 034
Total	**107 841**	**156 855**
Fixed interest debt instruments	72 440	106 491
Variable interest debt instruments	9 665	14 702
Total	82 105	121 193

	Available for sale investments	Held to maturity investments	TOTAL
Balance at 1/1/2015	50 364	106 491	156 855
Additions	23	52 830	52 853
Disposals	(13 370)	(85 629)	(98 999)
Amortized cost during the year	-	(1 252)	(1 252)
Change in FMV (Note 26)	(1 310)	-	(1 310)
Deduct provisions for credit losses	(306)	-	(306)
Balance at 31/12/2015	**35 401**	**72 440**	**107 841**
Balance at 1/1/2014	**52 110**	**31 577**	**83 687**
Additions	147	74 914	75 061
Disposals (Sale / Redemption)	(5 983)	-	(5 983)
Change in FMV (Note 26)	4 090	-	4 090
Balance at 31/12/2014	**50 364**	**106 491**	**156 855**

	31 /12/ 2015	31 /12/ 2014
Gains from financial investments		
profits on the sale of Available for sale investments	3 717	5 065
Impairment losses of Available for sale investments	(2 499)	-
Balance at the end of the year	1 218	5 065

(18) Investments in associates

Equity participations where the Bank holds 20% or more than its capital shares are as follows:

Name of Company	Total assets	Total Liabilities (without equity)	Total Revenue	Net Profit	Region	Balance at 1/1/2015	Investments in associates (far value reserve)	Balance at 31/12/2015	Share %
Societe Arab International de Banque (SAIB)	6 273 000	5 974 258	572 858	42 991	Egypt	126 214	14 192	132 031	46.07
Suez Canal Co. For Technology	213 686	69 710	22 121	15 603	Egypt	69 363	3 473	68 378	24.08
International Company for Tourist Investments (ICIT)	104 924	2 984	14 566	5 817	Egypt	38 385	1 226	39 475	20.00
World Trade Centre (WTC)	142 582	12 356	4 416	(79)	Egypt	131 152	408	131 417	50.00
Companies Arab De enhancement International	--	--	--	--	Luxemburg	7 890	788	8 678	89.04
Suez Canal Bank (CSB)	2 699 976	2 464 179	154 483	--	Egypt	116 137	--	116 137	41.50
Total						**489 141**	**20 087**	**496 116**	

The assets, liabilities, revenues and profits of Society Arab International de Banque (SAIB) were recorded based on the financial statements approved as at 31-12-2015 prior to the Bank's general assembly approval.

The assets, liabilities, revenues and profits of Suez Canal Co. For Technology were recorded based on the financial statements approved as at 31-8-2015 prior to the company's general assembly approval.

The assets, liabilities, revenues and profits of International Company for Tourist Investments (ICIT) were recorded based on the unapproved financial statements as at 31-12-2015.

The assets, liabilities, revenues and profits of World Trade Centre (WTC) were recorded based on the unapproved financial statements as at 30-9-2015.

The Compagnie Arabe de Financement Internationale (CAFI) did not issue financial statements as at 31-12-2015.

The assets, liabilities, revenues and profits of Suez Canal Bank (CSB)were recorded based on the financial statements approved as at 30-9-2015.

Name of Company	Total assets	Total Liabilities (without equity)	Total Revenue	Net Profit	Region	Balance at 1/1/2014	Investments in associates (far value reserve)	Balance at 31/12/2014	Share %
Societe Arab International de Banque (SAIB)	4 655 475	4 371 645	372 079	34 646	Egypt	97 106	11 143	126 214	46.07
Suez Canal Co. For Technology	239 527	79 944	29 634	22 602	Egypt	64 514	5 028	69 363	24.08
International Company for Tourist Investments (ICIT)	100 002	3 877	9 836	346	Egypt	39 029	761	38 385	20.00
World Trade Centre (WTC)	143 138	12 563	5 552	(474)	Egypt	131 241	(805)	131 152	50.00
Companies Arab De enhancement International	8 982	45	701	634	Luxemburg	7 641	249	7 890	89.04
Suez Canal Bank (CSB)	2 838 570	2 573 313	214 003	--	Egypt	116 137	--	116 137	41.50
Total						**455 668**	**16 376**	**489 141**	

The Bank owns 89.043% of the share capital of Compagnie Arabe de Financement International (CAFI) and the Bank's direct participation in Societe Arabe International 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 that represent its ownership share in SAIB, no consolidated financial statements have been prepared.

(19) Investment Properties

	31 /12/ 2015	31 /12/ 2014
Investment Properties	17 483	17 483
Total	17 483	17 483

* The investment property is represented in a plot of land purchased on Nile Corniche El Maadi

(20) Other Assets

	31 /12/ 2015	31 /12/ 2014
Accrued revenue	10 871	8 919
The share of the Bank in profits of contributions (available for sale)	993	834
Prepaid expenses	544	725
Prepaid amounts to employees under the account of profits appropriations	6 550	6 018
Advances to purchase fixed assets	2 238	1 155
Assets transferred to bank (after deducting the impairment)	10 313	10 313
Other debit balances (net)	2 526	1 922
Total	**34 035**	**29 886**

(21) Fixed assets

	Land	Building & Improvements	Furniture Fittings & Equipment	Vehicles	Computers	Total
Balance at 1/1/2015	21 000	16 044	1 186	101	1 097	39 428
Addition	-	403	383	209	667	1 662
Disposals	-	-	(3)	(29)	(37)	(69)
Depreciation at 31/12/2015	-	(655)	(220)	(63)	(405)	(1 343)
Net Book Value at 31/12/2015	21 000	15 792	1 346	218	1 322	39 678
Net Book Value at 31/12/2014	21 000	16 044	1 186	101	1 097	39 428

(22) Due to Banks

	31 /12/ 2015	31 /12/ 2014
Current Accounts	142 557	111 275
Deposits	565 493	395 806
Total	**708 050**	**507 081**
Local Banks	217 157	147 954
Foreign Banks	490 893	359 127
Total	**708 050**	**507 081**
Non - Interest Bearing Balances	56 479	11 951
Interest Bearing Balances	651 571	495 130
Total	**708 050**	**507 081**
Current Balance	698 050	507 081
Non – Current Balance	10 000	-
Total	**708 050**	**507 081**

(23) Customers Deposits

	31 /12/ 2015	31 /12/ 2014
Demand deposits	219 524	184 951
Time and call deposits	1 143 163	1 214 196
Certificates of deposits	209 254	95 740
Saving deposits	269 290	272 077
Other deposits	102 665	18 937
	1 943 896	1 785 901
Financial Institutions deposits	472 678	331 955
Individual deposits	1 471 218	1 453 946
Balance	**1 943 896**	**1 785 901**
Non-interest bearing balances	161 896	110 863
Fixed bearing balances	149 834	2 000
Variable bearing balances	1 632 166	1 673 038
Balance	**1 943 896**	**1 785 901**
Current balance	1 346 287	1 529 444
Non-current balances	597 609	256 457
Balance	**1 943 896**	**1 785 901**

(24) Other liabilities

	31 /12/ 2015	31 /12/ 2014
Accrued interest	12 548	8 316
Unearned revenue	2 677	7 079
Pension Fund	8 853	5 232
Other credit balances	5 991	7 595
Total	**30 069**	**28 222**

(25) Other Provisions

	31 /12/ 2015				31 /12/ 2014				
	Beginning Balance	Transferred	Formed (Used)	Year ending Balance	Beginning Balance	Transferred	Provision No Longer Required	Formed (Used)	Year ending Balance
Provision for Claims	11 626	-	(5 035)	6 591	7 645	-	-	3 981	11 626
Provision for Contingencies	4 834	(160)	279	4 953	5 919	(129)	(956)	-	4 834
Provision for Banking Operation	2 200	-	-	2 200	2 200	-	-	-	2 200
Total	**18 660**	**(160)**	**(4 756)**	**13 744**	15 764	(129)	(956)	3 981	18 660

(26) Owners Equity

(A) Capital

The Issued Capital as at December 31, 2015 amounted to U.S. $ 600 Million distributed over 30 000 ordinary shares of U.S.$ 20 000 each and the paid-up capital amounted to U.S. $ 450 Million.

The subscribed share capital is as follows:

	No. Of shares	Normal value	%	Paid
Arab Republic Of Egypt	11 628	232 560	38,76	161 300
Libya	11 628	232 560	38,76	161 300
Abu Dhabi Investment Authority	3 751	75 020	12,503	75 020
State Of Qater	1 495	29 900	4,984	22 420
The Sultanate of Oman	747	14 940	2,49	14 940
International Capital Trading Co.	751	15 020	2,503	15 020
Total	30 000	600 000	100	450 000

(B) Reserves

	31 /12/ 2015	31 /12/ 2014
Statutory Reserve (Note No.B1)	107 306	102 516
General Reserve	73 582	73 582
Change in equity for investment in associate (Note No.B2)	72 631	73 914
Available for sale fair value reserve (Note No. B3)	1 034	3 593
Total of reserve	254 553	253 605

(B 1) Statutory Reserve

	31 /12/ 2015	31 /12/ 2014
Balance at the beginning of the year	102 516	99 461
Transfer from net profit of the year	4 790	3 055
Balance at the end of the year	**107 306**	**102 516**

(B 2) Change in equity for investment in associate Reserve

	31 /12/ 2015	31 /12/ 2014
Balance at the beginning of the year	73 914	68 960
Change in equity for investment in associate (net)	(1 283)	4 954
Balance at the end of the year	**72 631**	**73 914**

(B 3) Available for sale fair value reserve

	31 /12/ 2015	31 /12/ 2014
Balance at the beginning of the year	3 593	4 869
Impairment loss transfer from available for sale fair value reserve	2 193	-
Transfer from income statement due to sailing of Available for sale investments	(3 442)	(5 366)
Change in Available for sale fair value reserve	(1 310)	4 090
Balance at the end of the year	**1 034**	**3 593**

(g) Retained Earnings

	31 /12/ 2015	31 /12/ 2014
Balance at the beginning of the year	99 794	67 174
Net profit of the year	59 424	47 894
Dividends paid	-	-
Employees' profit share	(8 890)	(10 072)
Board of Directors remuneration	(2 410)	(2 147)
Transfer to legal reserve	(4 790)	(3 055)
Balance at the end of the year	**143 128**	**99 794**

(27) Cash and cash equivalents

For the purpose of preparing the statement of cash flow, the cash and cash equivalent includes the following balances of maturity dates within less than three months from the date of acquisition:

	31 /12/ 2015	31 /12/ 2014
Cash in Central Bk. Of Egypt	44 451	33 877
Balances with banks	355 915	367 429
Treasury Bills	65 945	37 668
End of Year Balance	466 311	438 974

(28) Commitment and contingent liabilities

(A) Legal claims

There are lawsuits filed against the Bank as at 31 December 2015, provisions were made for these lawsuits Amounting to US$ 1 960 thousand.

(b) Commitments for loans and faculties

	31 /12/ 2015	31 /12/ 2014
Letter of guarantee	148 965	124 575
Letters of Credit	26 178	36 462
Commitments for loans	54 564	36 140
Total	**229 707**	**197 177**
- Less :		
Cash margins	(24 784)	(18 482)
Net Balance	**204 923**	**178 695**

(29) Related party transactions

Transactions with related parties have been conducted in the normal course of the business.
Related parties transactions and balances at the end of the financial year are as follows:

(A) Loans to Related party

	Associates	
	31 /12/ 2015	31 /12/ 2014
Loans at the beginning of the year	101 921	96 406
Loans issued during the financial year	50 000	5 515
Loans repaid during the financial year	(40 521)	-
Loans at the end of the year	**111 400**	**101 921**

(B) Deposits from Related party

	Associates	
	31 /12/ 2015	31 /12/ 2014
Deposits at the beginning of the year	103 071	11 370
Deposits issued during the financial year	2 260	91 753
Deposits refunded during the financial year	(3 579)	(52)
Deposits at the end of the year	**101 752**	**103 071**

(C) Other

	Associates	
	31 /12/ 2015	31 /12/ 2014
Balances due from banks	35 407	30 373
Balances due to banks	550 492	375 110

(30) Pension fund

The Bank has a funded defined benefit contributory pension plan covering all full-time employees till 17 April 2008. 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 share of the year of the surplus resulting from the implementation of the Voluntarily Early Retirement Plan as at 31 December 2015 was calculated and amounted to US$ 6 795 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 balance of the subordinated loan after amortization amounted to US$ 11 399 thousand as at 31 December 2015.

The pension reserve fund on December 31, 2015 amounted to US$ 107.5 million corresponding to US$ 120 million as at December 31, 2014. The actuary's report stated that there is no deficit in the pension reserve fund on December 31, 2015, after the completion of the realized actual investment return difference that amounted to US$ 5 035 million in order to reach the minimum limit that should be achieved at a rate of 7% of the total reserve fund.

It is worth mentioning that during this year the Employees' Pension Fund has been financed by an increase of US$ 5 035 thousand that represents the investment return difference referred to in the Actuary's Report that were deducted from the provisions formed for this purpose among other provisions.

(31) Comparative figures

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

BALANC SHEET AFTER APPROPRIATIONS

As of December 31, 2015

	31 /12/ 2015 US$ (000)	31 /12/ 2014 US$ (000)
Assets		
Cash and Due from Central Bank	44 451	33 877
Due from banks	574 863	367 429
Treasury bills	790 422	660 558
Loans and facilities to customers & banks	1 438 551	1 348 606
Financial investments		
- Available for sale investments	35 401	50 364
- Held to maturity investments	72 440	106 491
Investments in associates	496 116	489 141
Investments properties	17 483	17 483
Other assets	27 485	23 868
Fixed assets	39 678	39 428
Total Assets	**3 536 890**	**3 137 245**
Liabilities and Equity		
Liabilities		
Due to banks	708 050	507 081
Customers' deposits	1 943 896	1 785 901
Other liabilities	57 617	33 504
Other provisions	13 744	18 660
Total Liabilities	**2 723 307**	**2 345 146**
Equity		
Paid-up capital	450 000	450 000
Reserves	254 553	253 605
Retained Earnings	109 030	88 494
Total Equity	**813 583**	**792 099**
Total Liabilities and Equity	**3 536 890**	**3 137 245**

STATEMENT OF DIVIDENDS

For The Year Ended December 31, 2015

	31 /12/ 2015 US$ (000)	31 /12/ 2014 US$ (000)
Net profit for the year available for distribution	59 424	47 894
Retained earnings at the beginning of the year	83 704	51 900
Total	**143 128**	99 794
To be distributed as follows:-		
Legal Reserve (10%)	5 942	4 790
Shareholders' dividends (5% from Paid-up capital)	22 500	-
Employees' profit share	8 500	8 890
Board of Directors remuneration	* 3 098	2 410
Retained earnings at the end of the year	103 088	83 704
Total	**143 128**	**99 794**

* Adjusted according to decisions of general assembly meeting of the Bank dated May 5,2016.

AIB

المصرف العربي الدولي

Fifth

Interconnection with the Bank

Assistant Managing Director

Mr. Amr Mahmoud abd Elfattah Atallah

Assistant Managing Director

Fax: 35706469

Mr. Amr Bahaa

Assistant Managing Director

Fax: 23963378

General Managers

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 Salah Eldin Amin Ezzat
General Manager –Credit
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Mr. Gamal Zaghloul
General Manager – Financial Control
Fax: 23916275

Mr. Ahmed Bahaa Eldin youssef
General Manager - Compliance
Fax: 23940213 - 23962973

Mr. Assem Kamel Awwad Hussein
General Manager – Risk Management
Fax: 35706478

Mrs. Inas Tantawy
General Manager - Human Resources
Fax: 23919302

Mr. Abdel Hamed Mohamed Al Zanaty
General Manager - Legal affairs administration

Mr. Amr Mohamed Mansur Mohamed
Deputy General Manager
Head of information security systems
Fax: 37479351

Mr. Osama Ibrahim Ramadan Elziadi
Deputy General Manager
Head of Internal Control
Fax: 25931358

Branches' Managers

Mrs. Khadiga Ahmed El Meteny
Manager – Cairo Main Branch
Fax: 23938179

Mr. Essam said Ahmed Algohary
Manager– Tahrir Branch
Fax: 35695541

Mr. Ayman Mohamed Hossam Eldin Marzok Younes
Manager– Heliopolis Branch
Fax: 22900261 - 24173524

Mr. Aser Mahmuod Saleh Sherif
Manager – Mohandessin Branch
Fax: 33029651

Mr. Mohamed Hussein Safwat
Manager– Nasr City Branch
Fax: 24034904

Mr. Wail Shamel Ismail
Manager– 6 of October Branch
Fax: 38362148

Mrs. Nevien Youssef Ahmed Fawzi
Manager– Alexandria Branch
Fax: 03 - 4873328

Mr. Khaled Abdel Akhar
Manager– Port Said Branch
Fax: 06 - 63227623

Addresses of the Bank Branches

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35 Abdel Khalek Sarwat Street, Cairo, A.R.E
P.O. Box: 1563 Zip. 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 Zip. 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) Mohandessin, A.R.E
P.O.BOX: 273 Imbaba - Giza
Fax: 33029651
Telephone: 33029647 – 33029648 – 33029649
Swift: ARIBEGCX 008

Nasr City Branch
77 B, Nasr Road, Nasr City, Cairo, A.R.E
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Fax: 22606321
Telephone: 22605914 – 22606359
Swift: ARIBEGCX 004

Alexandria Branch

2 El Horreya Road, Alexandria, A.R.E
P.O.BOX: 21511
TELX: AIBLX UN 55457
Fax: (03) 4873230
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

Fax: 23902084
Telephone: 23955068 - 23925736

Money Markets

Telephone: 23917893 – 23927794 - 23934416
AIBC: Page on the Monitor
AICE: Reuter Dealing Code

Central Operations

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

-Central Swift
- Credit Card Center
- Foreign Trade
- Credit Operations

Fax: 22606321
Telephone: 22605914 – 22605958
Swift: ARIBEGCX 004

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