

Banque Misr Annual Report

30/6/2002 – 30/6/2003

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Income Statement for the Financial Year Ended 30/6/2003

	LE. 000'S	
	30/06/2003	30/06/2002
Revenue from Loans and Deposits with Banks	3,774,664	3,733,404
Revenue from Treasury Bills and Bonds	1,218,492	1,115,499
Less		
Costs of Deposits and Loans	(4,186,272)	(4,045,293)
Net Revenue	806,884	803,610
Commissions and Charges from Banking Services	855,516	768,181
Distribution of Share and Mutual Funds Certificates	125,176	105,566
Profits (losses) of selling Foreign Exchange Transactions	(939,050)	(85,932)
Profits (losses) of selling Investments for Trading	18,395	(933)
Differences of evaluating investments for holding	933,794	(124,072)
Income from other operations	375,674	23,126
Net Income from Banking Activities	2,176,389	1,489,546
Less		
Administrative, General and other Expenditure	(691,868)	(629,249)
Provisions	(1,211,155)	(620,594)
Differences of evaluating other investments	(102,810)	(56,790)
Profits (losses) from Banking Activities	170,556	182,913
Profits (losses) from other operations	404	13,897
Profits (losses) before deducting Taxes	170,960	196,810
Less		
Taxes	(45,960)	(57,810)
Net Profits (Losses) of The Period	125,000	139,000
The Shareholders Profits Per Share in LE.	0.091	0.130

Profit Distribution for The Financial Year Ended 30/6/2003

LE. 000'S

	30/06/2003	30/06/2002
Annual Net Profit	125,000	139,000
Less		
Profit from selling fixed assets transferred to the capital reserve	211	14,297
Profits from selling investments for holding transferred to the capital reserve	3,992	6,488
Net profit for distribution	120,797	118,215
Profits reserved at the beginning of the year	0	0
Total	120,797	118,215
Distributions		
Legal reserve	6,040	5,911
General reserve	12,079	11,821
Special reserve	-	-
Other Reserves		
Reserve of purchasing state bonds	6,040	5,911
Reserve for rise of fixed assets prices	6,040	5,911
Supportive reserve	36,602	65,455
Business system modernization fund	6,040	0
Shareholders distribution	35,967	9,991
Employee's share	11,989	13,215
Profits reserved at the end of the year	-	-
Total	120,797	118,215
On the basis of booking 75% of the state share in the profit for supporting the "supportive reserve" by the amount of 26,975,000 Egyptian Pound		

Cash Flow Statement on 30/6/2003

	30/06/2003	30/06/2002
Net cash flows arising from operation activities	118,014	(1,082,158)
Net cash flows arising from investment activities	(419,061)	(10,594)
Net cash flows arising from financing activities	1,830,379	(28,088)
Net decrease (increase) in cash and semi-cash during the period	1,529,332	(1,120,840)
Balance of cash and semi-cash at the beginning of the period	7,607,011	8,727,851
Balance of cash and semi-cash at the end of the period	9,136,343	7,607,011

Balance Sheet in 30/6/2003

Assets	LE. 000'S	
	30/06/2003	30/6/2002
Cash and balances with the Central Bank of Egypt	22.541.663	17.167.603
Treasury bills and state bonds discountable at (CBE)	9.405.684	7.875.397
Investments for trading	3.959.557	2.781.592
Investments for reselling	3.565.958	1.087.995
Loans to customers and banks	32.227.784	30.760.907
Investments for holding	8.628.300	7.033.415
Contribution to banks and subsidiary companies	1.282.487	1.120.941
Debit balances and others assets	2.356.074	2.168.961
Fixed assets (Less Accumulated Description)	227.589	222.732
Total Assets	84.195.096	70.219.543
Liabilities and Shareholders Equity		
Due to banks	4.938.323	4.528.794
Customers deposits	72.781.542	61.059.785
Credit balances and other liabilities	1.762.334	1.506.542
Long term loans	1.595.545	960.316
Total Liabilities	81.077.744	68.055.437
Shareholders Equity		
Capital	1.800.000	1.000.000
Reserves	1.192.352	1.164.106
Total Shareholders Equity	2.992.352	2.164.106
Net Profit	125.000	
Total Liabilities and Shareholders' Equity	84.195.096	70.219.543
Contingent Liabilities and Engagements		
Letters of credit and letters of guarantee	8.324.400	6.101.731
Illustrations associated with balance sheets are integral part of them.		
Auditors Report		

General Manager of
Financial Affairs

Vice Chairman

Chairman

Auditors

**Accountant: Magdy Kamel
Saleh**

**Accountant: Zeinab Abdel
Hamid Shehata**

Saleh and Barsoum Abdel
Aziz

Central Authority for
Auditing

Auditors report on the financial statements of Banque Misr as on 30/6/2003

We have audited the financial statements of Banque Misr from which the attached summarized version were extracted in accordance with the Egyptian auditing standards and in compliance with the applicable laws and regulations.

As mentioned within our report dated January 25th 2004 , we have given an opinion free of reservations stating that the bank financial reports for the financial year ended June 30th 2003 from which the summarized reports were extracted clearly express in all its important aspects the bank financial position as on 30.6.2003 , the business results , the cash flow and the change of shareholders equity for the ended financial year at that date , in accordance with the Egyptian accountancy standards and it is our opinion that the summarized financial report attached matches in all it's important aspects the bank detailed financial report for the financial year ended 30th June 2003

In order to get a comprehensive understanding to the bank financial position in 30.06.2003 and for the business results, cash flow, and change of equity for the financial year ended at that date and also the extend of our audit , it is a must to refer back to the bank detailed financial reports for the financial year ended 30th June 2003 and our audit report upon it.

Cairo 9th February 2004

Auditors

Magdi Kamel Saleh
Fellow of the Egyptian Society of
Taxes
(Abou-Seida & Co.)

Zeinab Abdel Hamid Shehata
Member of the Egyptian Society of
Accountants & Aud.
(The Central Auditing Org.)