

8,778	89,070	
76,551	117,451	15
13,737	74,637	13
29,500	70,400	15
43,115	84,015	13
63,991	104,891	17
28,877	61,777	13

Auditor's Report
On The Summeryed Financial Statements
Of Banque Misr For The Year Ended June 30, 2010

To: the shareholders' of Banque Misr (S.A.E)

We have audited the financial statements of Banque Misr (S.A.E) as of June 30, 2010 from which the accompanying summarized financial statements were derived in accordance with Egyptian Standards on Auditing and in the light of provision of applicable Egyptian laws and regulations. In our report dated December 30, 2010 we expressed an unqualified opinion on the bank's financial statements as of June 30, 2010 which derived from the accompanying summarized financial statements.

In our opinion, the accompanying summarized financial statements are consistent, in all material respects, with the financial statements from which they were derived as of June 30, 2010.

For the better understanding of the Bank's financial position as of June 30, 2010 and the results of its operations for the year then ended, and the scope of our audit, the summarized financial statements should be read in conjunction with the financial statements from which the summarized financial statements were derived and our audit report thereon.

Cairo : January 11, 2011

Auditors


Wahid Abdel Ghaffar
BAKER TILLY
Wahid Abdel Ghaffar & Co.
Public Accountants and Consultants


Atef Ibrahim Mohamed Warda
Central Auditing Organization

Summarized Balance Sheet As of June 30, 2010

Amounts In Thousand Pounds

	Note No.	30/6/2010	30/6/2009
Assets			
Cash and balances at central banks		12,725,300	11,221,555
Due from banks		27,033,577	21,827,048
Treasury bills		40,546,417	29,456,603
Financial assets held for trading	4	4,505,341	4,351,571
Loans and advances to banks	5	827,880	613,855
Loans and advances to customers	6	41,443,009	45,863,921
Available for sale investments	7	29,972,130	23,165,697
Investments held to maturity	7	7,126,099	7,106,635
Investments in subsidiaries and associates	8	2,456,611	2,555,320
Other assets		11,856,341	6,931,935
Fixed assets (net of accumulated depreciation)		438,842	410,201
Total Assets		178,931,547	153,504,341
Liabilities and Shareholders' Equity			
Liabilities			
Due to banks		15,085,807	3,326,392
Customers' deposits	9	144,482,502	131,732,185
Long-term loans	10	7,430,222	7,436,146
Other liabilities	11	3,122,863	2,358,041
Other provisions	12	1,803,160	1,508,524
Deferred tax liabilities		87,053	187,898
Total Liabilities		172,011,607	146,549,186
Shareholders' Equity			
Paid-in capital	13	3,400,000	3,400,000
Reserves	13	3,010,752	3,555,155
Net Profit		509,188	0
Total shareholders' equity		6,919,940	6,955,155
Total Liabilities and Shareholders' Equity		178,931,547	153,504,341

	Note No.	30/6/2010	30/6/2009
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Contingent Liabilities & Commitments

Liabilities for letters of guarantee, letters of credit and other commitments		13,579,647	10,608,783
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- The accompanying notes are an integral part of these financial statements and are to be read therewith.

 Sherif Samy Cheif Financial Officer	 Mohamed Abbas Fayed Vice Chairman	 Mohamed Naguib Ibrahim Vice Chairman	 Mohamed Barakat Chairman
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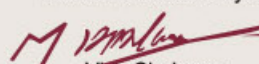
Auditors

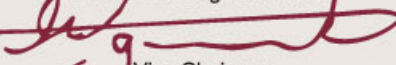

 Wahid Abdel Ghaffar
 BAKER TILLY
 Wahid Abdel Ghaffar & Co.
 Public Accountants and Consultants


 Atef Ibrahim Mohamed Warda
 Central Auditing Organization

	Note No.	30/6/2010	30/6/2009
Interest income		9,145,634	8,939,886
Interest expense		(7,875,854)	(7,993,004)
Net interest income		1,269,780	946,882
Fees and commission income		760,071	705,914
Fees and commission expenses		(27,566)	(25,147)
Net fees and commission income		732,505	680,767
Dividends income		601,046	925,211
Net trading income		420,854	275,701
Gains (losses) from financial investments		7,439,992	(742,864)
Provisions		(7,296,677)	(86,007)
General and Administrative expenses		(1,776,509)	(1,491,505)
Other operating income (expenses)		(23,708)	226,945
Profit before tax		1,367,283	735,148
Income tax expense		(858,095)	(570,174)
Net Profit		509,188	164,974
Earnings per share (in EGP)	14	0,664	0,190


 Sherif Samy
 Chief Financial Officer


 Mohamed Abbas Fayed
 Vice Chairman


 Mohamed Naguib Ibrahim
 Vice Chairman

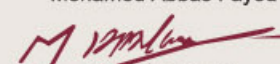

 Mohamed Barakat
 Chairman

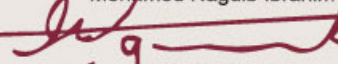
	30/6/2010	30/6/2009
Net profit	509,188	164,974
Less:		
Gains on sale of fixed assets transferred to capital reserve	(896)	(759)
Distributable Net Income for the year:	508,292	164,215
Distributed as follows:		
Legal reserve	50,829	16,422
General reserve	50,829	16,422
Supportive reserve	205,251	87,444
Reserve for increases in fixed assets prices	25,415	8,210
Transfers to the Fund for Reforming Public Sector Banks (In accordance with Law No. 88 of 2003)	20,332	6,569
Employees` share in profit	37,458	29,148
State share in profits*	118,178	0
Total	508,292	164,215

*The state share in profit will be directed to the supportive reserve.

Sherif Samy

 Chief Financial Officer

Mohamed Abbas Fayed

 Vice Chairman

Mohamed Naguib Ibrahim

 Vice Chairman

Mohamed Barakat

 Chairman

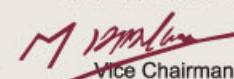
	Note No.	Paid in Capital	Legal Reserve	General Reserve	Special Reserve	Fair Value Reserve	Other Reserve	Retained Earnings	Total
Balance as of July 1, 2008	13	3,400,000	161,559	218,642	550,408	1,739,008	986,881	-	7,056,498
Foreign currency translation differences		-	-	-	(7,235)	-	-	-	(7,235)
Net change in fair value of available for sale investments (net of tax)		-	-	-	-	(242,674)	-	-	(242,674)
Net profit		-	-	-	-	-	-	164,974	164,974
Dividends		-	-	-	-	-	-	(35,717)	(35,717)
Transfers to reserves		-	16,421	16,422	759	-	114,964	(129,257)	19,309
Balance as of June 30, 2009		3,400,000	177,980	235,064	543,932	1,496,334	1,101,845	0	6,955,155
Balance as of July 1, 2009		3,400,000	177,980	235,064	543,932	1,496,334	1,101,845	-	6,955,155
Net change in fair value of available for sale investments (net of tax)		-	-	-	-	(523,388)	-	-	(523,388)
Foreign currency translation differences		-	-	-	(21,015)	-	-	-	(21,015)
Net profit		-	-	-	-	-	-	509,188	509,188
Balance as of June 30, 2010		3,400,000	177,980	235,064	522,917	972,946	1,101,845	509,188	6,919,940

Sherif Samy



Chief Financial Officer

Mohamed Abbas Fayed



Vice Chairman

Mohamed Naguib Ibrahim



Vice Chairman

Mohamed Barakat



Chairman

Summarized Statement of Changes
in Shareholders' Equity
for the year ended June 30, 2010

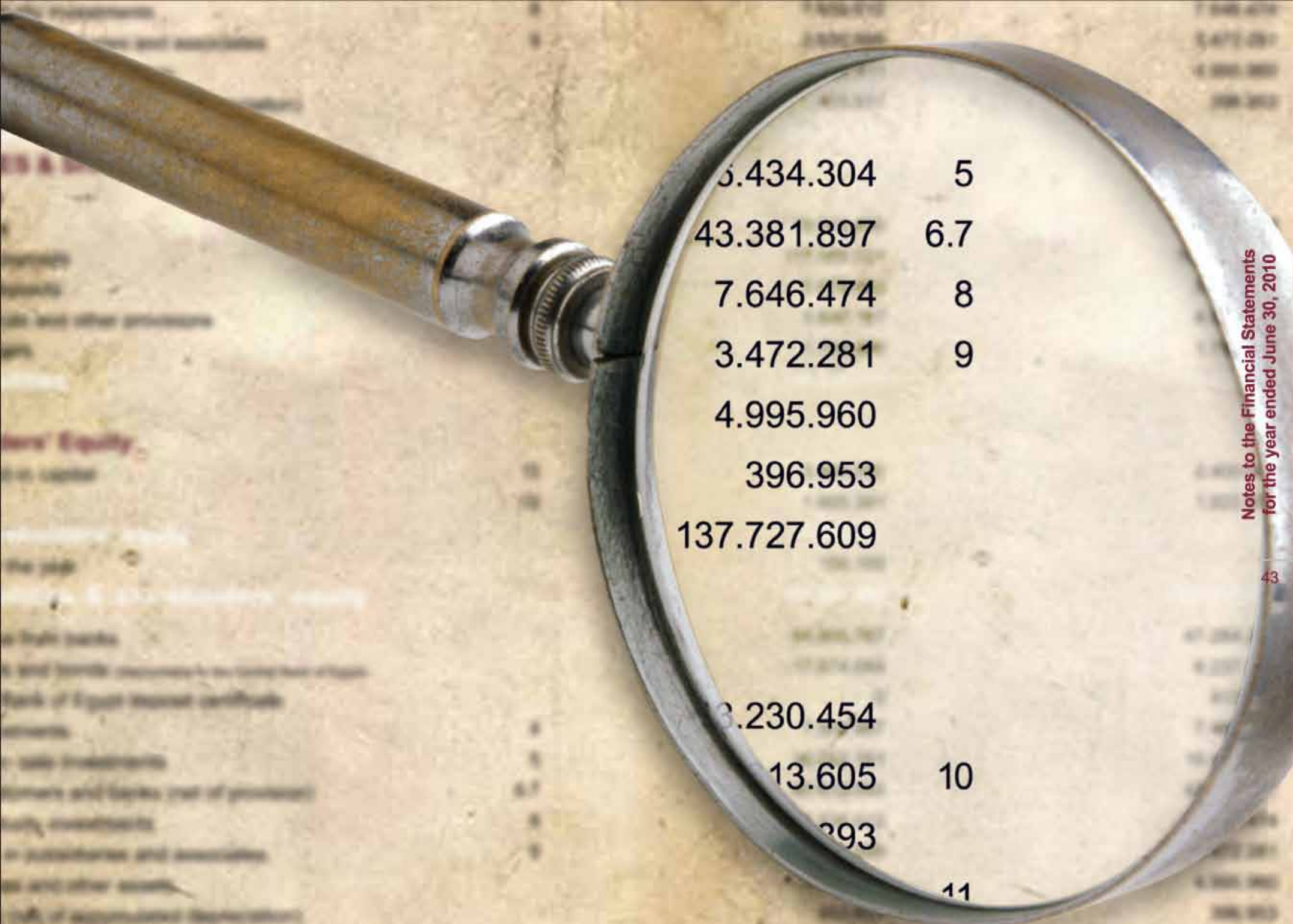
	30/6/2010	30/6/2009
Net cash flows provided from operating activities	27,645,138	5,001,067
Net cash flows provided from (used in) investing activities	101,005	(3,921,272)
Net cash flows used in financing activities	(35,072)	(64,924)
Net increase in cash and cash equivalents during the year	27,711,071	1,014,871
Cash and cash equivalents at the beginning of the year	12,069,060	11,054,189
Cash and cash equivalents at the end of the year	39,780,131	12,069,060
Cash and cash equivalents include :		
Cash and due from central banks	12,725,300	11,221,555
Due from banks	27,136,290	21,927,979
Treasury bills and other government securities	40,546,417	29,456,603
Deduct : Due from banks (over three months maturity)	(81,952)	(21,409,416)
Deduct : Treasury bills and other government securities (over three months maturity)	(40,545,924)	(29,127,661)
Cash and cash equivalents at the end of the year	39,780,131	12,069,060

 Sherif Samy
 Chief Financial Officer

 Mohamed Abbas Fayed
 Vice Chairman

 Mohamed Naguib Ibrahim
 Vice Chairman

 Mohamed Barakat
 Chairman



5.434.304	5
43.381.897	6.7
7.646.474	8
3.472.281	9
4.995.960	
396.953	
137.727.609	
3.230.454	
13.605	10
293	
	11

Notes to the Financial Statements
for the year ended June 30, 2010

1. General information

Banque Misr (S.A.E.) was established on April 3, 1920 as a commercial bank. The head office is located at 151, Mohamed Farid Street, Cairo. The Bank carries out corporate and retail banking in addition to investment banking through 473 branches in Arab Republic of Egypt and one branch in France and 5 branches in U.A.E. The number of employees at the balance sheet date is 12,316 employees.

2. Basis of preparation of the financial statements

The financial statements are prepared in accordance with "Rules for the Preparation and Presentation of Financial Statements of Banks and the Recognition and Measurement Bases" issued by the Central Bank of Egypt on June 27, 2002 and its amendments and in conformity with the requirements of related applicable Egyptian laws and regulations. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied in all years presented unless stated otherwise.

A- Foreign currency translation

A/1 Functional and presentation currency

The financial statements are presented in Egyptian pound. Items included in the financial statements of each of the bank's foreign branches are measured using their functional currency, being the basic currency of economic environment in which the foreign branch operates.

A/2 Transaction and balances in foreign currencies

Foreign currency transactions are translated into the appropriate functional currency using the exchange rates prevailing at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated on the balance sheet date using the exchange rates prevailing at that date. Foreign exchange gains and losses resulting from retranslation and settlement of such transactions are recognized in the income statement.

A/3 Foreign Branches

For the purpose of translation into the Egyptian pound, assets and liabilities of foreign branches are translated using the closing rate at the balance sheet date while items of income and expense are translated into the Egyptian pound at the rates prevailing at the dates of the transactions or average rates of exchange where these approximate to actual rates. The differences arising on the translation of foreign branches are included in equity.

B- Revenue recognition

Interest is recognized in the income statement on accrual basis except for non-performing loans where interest is suspended when collectibility of interest and/or principal is in doubt. Dividends are recognized when declared.

C- Treasury bills

Treasury bills are recorded at par value while discount (un-earned interest) is included in Credit Balances and Other Liabilities. Treasury bills are presented on the balance sheet net of unamortized discount.

D- Financial assets

D/1 financial assets held for trading

A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the near future or if it is a part of a portfolio of identified financial instruments that are managed together for short-term profit-taking. Financial assets held for trading are measured at fair value. Unrealized holding gains and losses are recognized in the income statement. The Bank reclassified certain securities out of the financial assets held for trading category (that were no longer held for the purpose of selling in the near term and also met the conditions for inclusion) into available for sale investments, investments held to maturity and to loans and advances categories at fair value on the date of reclassification.

D/2 Available for sale investments

Available for sale investments are non-derivative financial assets that are either designated as available for sale or do not fit into any other category of financial assets. Available for sale investments are measured at fair value. Unrealized holding gains and losses are included in a separate component of equity until the financial asset is sold or impaired. At this time, the cumulative gain or loss previously recognized in equity is recycled to the income statement. Interest is calculated using the effective interest method. Foreign currency gains and losses on monetary assets classified as available for sale are recognized in the income statement. Dividends on available for sale equity instruments are recognized in the income statement when the bank's right to receive payment is established. The fair values of investments listed in active markets are based on quoted market prices. If there is no active market for a financial asset, the Bank determines fair value using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. If the Bank could not assess the fair value of the equity investment classified as available for sale, these investments are valued at cost less any impairment in value.

D/3 Held to maturity investments

Investments held-to-maturity are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Bank management has the positive intent and ability to hold to maturity. Debt investments held to maturity are measured at amortized cost using the effective interest method. Banque Misr mutual funds certificates which the Bank is required by law to hold until fund liquidation are included in held to maturity investments according to Central Bank of Egypt rules and are measured at cost. Any decrease in redemption value below cost is recognized as impairment in the income statement. Impairment loss previously recognized is reversed in case of subsequent increase. The reversal can not result in a carrying value greater than original cost.

D/4 Investments in subsidiaries and associates

Investments in subsidiaries and associate are measured at cost. If fair value of an individual investment declines below book value, it is reduced to reflect the impairment and such decrease is charged to the income statement under "Gains (losses) on financial investments". Subsequent increase in the fair value is credited to the same item in the income statement up to the amount previously charged.

D/5 Loans and receivables

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

E- Non-monetary assets acquired as settlement of debts

Assets acquired by the bank to settle debts are recorded within " Other Assets". Any decreases in fair value of these assets are charged to the income statement. In case there is a subsequent increase in fair value, it is credited to the income statement up to the amount previously charged.

F- Provisions for loans and contingent liabilities

In accordance with the Central Bank of Egypt credit quality rules and directives issued on May 24, 2005, provisions are formed for loans to customer and banks on an individual basis in addition to a general provision calculated as a percentage of performing loans and other contingent liabilities. Loans are written off against related provisions when the Bank concludes it is not feasible to collect such loans. Recoveries from loans previously written off are added to the provision.

G- Contingent Liabilities and Commitments

Contingent liabilities and commitments include transactions in which the Bank is involved as a third party. Such transactions do not represent actual assets or liabilities at the financial statement date.

H- Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents include cash and balances due from Central Bank of Egypt, current accounts with banks, and treasury bills maturing within 3 months from the acquisition date.

I- Depreciation & Amortization

Fixed assets are recorded at acquisition cost and depreciated using the straight-line method using appropriate depreciation rates determined based on the estimated useful life for each type of assets as follows:

Buildings & construction	5%	Vehicles	20%
Automated systems	25%	Furniture	100%
Equipment	12.5%	Electricity generators	33.5%
IT equipment	25%	Central Air Condition Units	12.5%

J- Taxes

Taxes on the bank's profit are computed in accordance with laws and regulations prevailing whether in Egypt or in the countries in which branches are located. A provision is formed for probable tax claims after conducting a comprehensive study of such claims.

3. Financial instruments and related risk management**3-1 Financial instruments****A. Nature of financial instruments held**

The Bank's financial instruments comprise financial assets and financial liabilities. Financial assets include cash balances, current accounts and deposits with banks, investments, and loans and advances to customers and banks. Financial liabilities include customers' deposits, due to banks and long term loans. Note (2) to the financial statements includes the accounting policies for recognition and measurement of significant financial instruments and related revenues and expenses.

B. Fair value of financial instruments

According to the measurement bases of the Bank's assets and liabilities included in the notes to the financial statements, the fair value of financial instruments do not substantially differ from their book value at the balance sheet date. Notes (7) and (8) to the financial statements disclose the fair value of financial investments other than those held for trading and available for sale at the balance sheet date.

C. Forward contracts

In line with Central Bank of Egypt directives, the Bank only enters into forward contracts to supply its needs of foreign currencies or its customers' needs. All forward contracts are short-term transactions.

3.2 Risk management related to financial instruments**A. Interest rate risk**

The value of some financial instruments fluctuates due to changes in interest rates. The Bank adopts some procedures to minimize that risk such as:

- Matching the maturities of interest bearing assets and liabilities.
- Determining interest rates on foreign currency products offered in light of the prevailing market interest rates on various currencies.

B. Credit risk

Loans and advances to customers and banks, investments in debt securities, current accounts and deposits with banks and derivatives are among the financial assets that expose the bank to credit risk which represent the inability of the counterparty to partially or fully settle their debts when due.

The Bank adopts certain procedures to minimize credit risk such as:

- Preparing credit studies on customers and banks before dealing with them and determining related credit risk.
- Obtaining adequate collaterals to reduce the risks resulting from default of customers or banks
- Diversification of loan portfolio over various business sectors to avoid undue concentration of risk.

C. Foreign exchange risk

In the normal course of doing business, the Bank transacts in many foreign currencies. This exposes the Bank to the risk of loss due to fluctuations in exchange rates. To minimize this risk, the Bank monitors balancing its foreign currency positions in accordance with Central Bank of Egypt directives in that respect.

D. Capital Management

The Bank operates a centralized capital management model, considering both regulatory and economic capital. The capital management strategy is to continue to maximise shareholder value through optimizing both the level and mix of capital resources. Decisions on the allocation of capital resources are conducted as part of the strategic planning review.

The Bank's capital management objectives are to:

- maintain sufficient capital resources to meet the minimum regulatory capital requirements set by the Central Bank of Egypt;
- maintain sufficient capital resources to support the Bank's risk appetite and economic capital requirements;
- support the Bank's credit rating;
- ensure foreign branches can meet their minimum capital requirements;
- Allocate capital to businesses to support the Bank's strategic objectives, including optimizing returns on economic and regulatory capital.

The Bank is subject to minimum capital requirements imposed by the Central Bank of Egypt, following guidelines developed by the Basel Committee on Banking Supervision.

The Bank manages its capital resources to ensure that foreign branches that are subject to local capital adequacy regulation in individual countries meet their minimum capital requirements.

Amounts In Thousand Pounds

Capital	30/6/2010	30/6/2009
Tier 1 capital	5,889,205	5,458,821
Tier 2 capital	3,548,000	3,153,476
Total capital	9,437,205	8,612,297
Total risk weighted assets and contingent liabilities	71,196,936	66,909,187
Capital adequacy ratio (%)	13.26%	12.89%

4- Financial assets held for trading

Amounts In Thousand Pounds

Description	30/6/2010	30/6/2009
Government bonds	157,847	161,878
Other debt securities	615,499	648,695
Local shares	102,758	81,548
Mutual fund certificates	5,697	6,216
Investment portfolios managed by external managers	3,623,540	3,453,234
Total Financial assets held for trading	4,505,341	4,351,571

5- Loans and advances to banks

Amounts In Thousand Pounds

Description	30/6/2010	30/6/2009
Term loans	870,340	630,755
Deduct : provision for loan losses	(42,460)	(16,900)
Total	827,880	613,855
Current	719,115	311,588
Non Current	151,225	319,167
	870,340	630,755

6- Loans and advances to customers

Amounts In Thousand Pounds

Description	30/6/2010	30/6/2009
(1) Retail		
Overdraft	1,861,521	1,869,933
Credit card loans	114,152	105,156
Personal loans	1,215,435	330,488
Mortgages loans	10,067	6,418
Total retail	3,201,175	2,311,995

Description	30/6/2010	30/6/2009
(2) Corporate loans (including loans to small businesses)		
Amounts In Thousand Pounds		
Overdraft	33,583,005	50,619,865
Direct loans	20,740,636	4,341,374
Syndicated loans	7,750,993	7,499,366
Other loans	139,939	114,742
Total Corporate	62,214,573	62,575,347
Total loans and advances to customers(1+2)	65,415,748	64,887,342
Deduct: provision for loan losses	(23,668,828)	(17,386,274)
Deduct: unearned discount and interest in suspense	(303,911)	(1,637,147)
Net loans and advances to customers	41,443,009	45,863,921
Gross loans distributed to:		
Current	34,864,470	43,888,659
Non-Current	30,551,278	20,998,683
	65,415,748	64,887,342

Loans provision (customers and banks)

Analysis of the activity in the provision for loan losses account (customers and banks)

Amounts In Thousand Pounds

Description	30/6/2010			30/6/2009		
	Specific *	General	Total	Specific *	General	Total
Balance at beginning of the year	16,994,576	585,154	17,579,730	16,971,463	643,937	17,615,400
Transfers	(72,224)	(98,522)	26,298	7,815	(84,422)	(76,607)
Current year provision	7,263,440	0	7,263,440	42,542	33,201	75,743
Recoveries of loans previously written off	81,079	0	81,079	31,123	0	31,123
Foreign currency revaluation differences	54,818	(17,640)	37,178	169,066	(7,562)	161,504
Write-offs	(1,226,615)	0	(1,226,615)	(227,433)	0	(227,433)
Balance at the End of the year	23,095,074	666,036	23,761,110	16,994,576	585,154	17,579,730

* Includes provisions for loans to entities amounting to EGP 49 822 thousand as of June 30, 2010 (EGP 176 556 thousand as of June 30, 2009) reported within Other Debit Balances.

7- Financial investments

Amounts In Thousand Pounds

Description	30/6/2010	30/6/2009
(A) Available for sale Investments		
Debt instruments – Listed	19,261,101	13,242,040
Equity instruments – Listed	5,343,988	5,558,428
Debt instruments – Unlisted	2,646,992	1,081,363
Equity instruments – Unlisted	2,720,049	3,283,866
Total available for sale investments (1)	29,972,130	23,165,697
B) Held to maturity Investment		
Debt instruments – Listed	148,075	145,506
Debt instruments – Unlisted	6,642,817	6,511,046
Equity instruments – Unlisted	335,207	450,083
Total held to maturity investments (2)	7,126,099	7,106,635
Total financial Investments (1+2)	37,098,229	30,272,332
Current	29,972,130	23,165,697
Non current	7,126,099	7,106,635
	37,098,229	30,272,332
Gains (Losses) on sale of financial assets		
Gains on sale of available for sale investments	1,097,938	75,032
Gains on sale of investments in subsidiaries and associate	7,160,222	8,117
Gains on sale of held to maturity investments	46,191	131,784
Gains on sale of treasury bills	12,380	36,006
Revaluation differences of available for sale investments	(60,188)	(1,011,406)
Revaluation differences of investments in subsidiaries and associate	(816,551)	17,621
	7,439,992	(742,846)

8- Investments in subsidiaries and associates

Amounts In Thousand Pounds

Description	30/6/2010	30/6/2009
Investments in subsidiaries *	1,735,806	2,026,106
Investments in associates	718,305	529,714
Investments in Joint ventures	2,500	2,500
Total investments in subsidiaries and associates	2,456,611	2,555,320
* On May 13, 2010 the Bank has established a subsidiary (Misr For Financial Investments) and sold some financial investments to it at fair value and realized a gain amounting to EGP 8.118. The full amount of this gain was used to increase the provision for loan losses.		
Investments in subsidiaries and associates are comprised of:		
Investments in listed companies	46,881	123,280
Investments in unlisted companies	2,409,730	2,432,040
Total investments in subsidiaries and associates	2,456,611	2,555,320
The Market value of Listed Investment	176,108	390,077

9- Customers' Deposits

Amounts In Thousand Pounds

Description	30/6/2010	30/6/2009
Demand deposits	8,343,313	6,544,352
Call and time deposits	37,114,875	36,363,740
Saving certificates	38,121,952	34,547,649
Saving deposits	58,885,640	52,117,454
Other deposits	2,016,722	2,158,990
	144,482,502	131,732,185
Current	117,561,150	99,304,934
Non current	26,921,352	32,427,251
	144,482,502	131,732,185

10- Long Term Loans

Amounts In Thousand Pounds

Description	Interest Rate %	Balance as of 30/6/2010	Balance as of 30/6/2009
Denmark International Development Aids (Central Bank of Egypt)	Nil	4,860	8,790
Loan of Egyptian Holding Co.	Nil	22,338	28,610
Silos & Storage - Fayoum			
Qena/Menia/Beni Sweif Silos Complex	Nil	70,982	79,284
Social Fund / Eleventh Contract	4%	0	4,600
Social Fund / Twelfth Contract	7%	22,950	34,350
Social Fund / thirteenth Contract	7%	1,238	1,619
The Contract of development of small and medium-projects	9.75%	15,000	0
The Contract of development of a poultry	4.5%	15,000	0
C.B.E .Local Supportive Loan	Nil	1,600,000	1,600,000
Ministry of Finance Long – term deposit	3%	5,677,854	5,678,893
		7,430,222	7,436,146
Current		25,729	32,146
Non current		7,404,493	7,404,000
		7,430,222	7,436,146

11- Other liabilities

Description	30/6/2010	30/6/2009
Accrued interest payable	754,465	779,287
Unearned interest	159,856	46,406
Accrued expenses	614,799	544,892
Other credit balances	1,593,743	987,456
	3,122,863	2,358,041

12- Other provisions

Description	30/6/2010	30/6/2009
Balance at July 1, 2009	1,508,524	1,506,578
Foreign currency revaluation differences	143	2,247
Amounts charged to income statement	248,614	9,809
Write-offs	(46,312)	(484,331)
Transfers and additions	92,191	474,221
Balance at June 30, 2009	1,803,160	1,508,524

13- Paid-in capital and reserves**A. Authorized capital**

The authorized capital of the Bank amounts to EGP 15000 million.

B. Issued and paid-in capital

Issued and paid-in capital amounts to EGP 3400 million divided into 680 million shares of 5 pounds each.

C. Reserves

- In accordance with the Bank's articles of incorporation, 10% of net profit is to be credited to legal reserve. Crediting legal reserve ceases when its balance reaches 100% of the paid-up capital.
- In accordance with Central Bank of Egypt directives, the balance of the special reserve cannot be used prior to Central Bank of Egypt approval.

14- Earnings per share

Description	30/6/2010	30/6/2009
Net profit attributable to the shareholder (EGP thousand) (1)	451,398	129,257
Divided by weighted average number of shares (thousands of shares) (2)	680,000	680,000
Earnings per share (EGP) (1:2)	0.664	0.190

15-Tax position**A) Capital revenue Tax**

Taxes withheld from the bank's capital revenues as defined by tax law (interest on treasury debt securities and remunerations of the bank's representatives on the Boards of Directors of investee companies) are included within income tax expense.

B) Corporate income taxes

All corporate income taxes resulting from examination related to the years 2004/2005 were settled and paid. No claims were received for the subsequent years and no tax liabilities are due.

C) Stamp-duty tax

A provision was formed for all stamp duty claims received by the bank and its branches in addition to probable claims.

17- Comparative figures

Comparative figures were reclassified to be consistent with current year presentation.

 Sherif Samy Chief Financial Officer	 Mohamed Abbas Fayed Vice Chairman	 Mohamed Naguib Ibrahim Vice Chairman	 Mohamed Barakat Chairman
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