

Export Development Bank of Egypt (S.A.E.)

Consolidated Balance Sheet

As at June 30, 2014

	<u>Note</u>	<u>June 30, 2014</u> <u>EGP</u>	<u>June 30, 2013</u> <u>EGP</u>
<u>Assets</u>			
Cash and due from Central Bank of Egypt		703,503,611	805,452,301
Due from banks		1,179,552,812	644,841,464
Treasury bills and other governmental notes		3,038,600,560	3,025,666,322
Trading financial assets		86,124,797	123,606,643
Loans to customers		8,336,163,882	6,410,702,914
Financial Derivatives		88,563,798	45,599,650
<u>Financial Investments:</u>			
-Available for sale		4,503,992,767	3,682,458,030
-Held to maturity		35,132,440	151,743,672
Financial investments in subsidiaries and associated co.	(3)	6,875,000	6,875,000
Intangible assets		2,519,001	6,073,573
Other assets		597,708,410	781,539,475
Fixed assets		364,461,256	316,078,462
Investment Property		306,054,816	86,430,993
Deferred tax		10,136,876	1,649,714
Total Assets		<u>19,259,390,026</u>	<u>16,088,718,213</u>
<u>Liabilities and shareholders' equity</u>			
<u>Liabilities</u>			
Due to banks		1,472,828,680	1,009,468,688
Customers' deposits		14,791,357,745	12,486,219,567
Financial Derivatives		87,691,123	45,487,354
Debt instruments		50,000,000	50,000,000
Other loans		328,609,904	382,746,343
Other liabilities		416,989,281	331,066,225
Other provisions		78,724,317	68,280,993
Deferred tax		5,220,177	4,971,126
Total Liabilities		<u>17,231,421,227</u>	<u>14,378,240,296</u>
<u>Shareholders' equity</u>			
Paid up capital	(4)	1,440,000,000	1,440,000,000
Reserves	(4)	317,461,503	199,704,175
Retained Earnings		156,974,451	(49 010 747)
		1,914,435,954	1,590,693,428
Non-controlling interests		113,532,845	119,784,489
Total Shareholders' equity		<u>2,027,968,799</u>	<u>1,710,477,917</u>
Total Liabilities and Shareholders' equity		<u>19,259,390,026</u>	<u>16,088,718,213</u>

- The accompanying notes from (1) to (4) are an integral part of these financial statements.

Mohamed Ibrahim EL-Hadidy

Head of Financial control sector

A-sami
L. Abdel

Export Development Bank of Egypt (S.A.E.)

Consolidated Income Statement

For the year ended June 30, 2014

	<u>June 30, 2014</u> <u>EGP</u>	<u>June 30, 2013</u> <u>EGP</u>
Interest and similar income	1,420,127,609	1,346,790,142
Interest and similar expenses	(871,399,828)	(910,993,022)
Net Interest Income	<u>548,727,781</u>	<u>435,797,120</u>
Fees and commissions Income	166,262,989	114,061,059
Fees and commissions Expenses	(6,801,499)	(6,367,232)
Net income from fees & commissions	<u>159,461,490</u>	<u>107,693,827</u>
Dividends Income	4,664,704	33,634,688
Net Trading Income	48,258,035	46,774,450
Profit (Loss) from Financial Investments	22,751,480	(1,008,397)
(Impairment) of credit losses	(34,362,098)	(7,550,000)
Administrative expenses	(292,372,331)	(255,501,570)
Other operating (expense) income	(15,712,729)	(31,467,139)
	<u>441,416,332</u>	<u>328,372,979</u>
Net profit before Tax		
Income Tax	(142,203,746)	(153,171,905)
Deferred tax	8,327,864	6,339,469
Net profit for the year	<u><u>307,540,450</u></u>	<u><u>181,540,543</u></u>
Represented in:		
bank's shareholders' equity	298,191,909	170,213,030
Non-controlling interests	9,348,541	11,327,513
	<u><u>307,540,450</u></u>	<u><u>181,540,543</u></u>

➤ The accompanying notes from (1) to (4) are an integral part of these financial statements.

Mohamed Ibrahim EL-Hadidy

Head of Financial control sector

A. Sami
Head

1. General information

Export Development Bank of Egypt (Egyptian Joint Stock Company) was established on July 30, 1983 under Law No. 95 of 1983 and its executive regulations in the Arab republic of Egypt, The head office located in Giza at 108, Mohy El Din Abu El Ezz Street, Dokki the bank is listed in the Egyptian stock exchange (EGX). The objective of the Bank is to encourage, develop Egyptian export activities, and assist in developing agricultural, industrial, and commercial and service exporting sectors, also to provide all investment banking services in local and foreign currencies through its head office and twenty five branches. The financial year starts from July first every year ending at June 30 of the next year.

These Financial statements have been submitted by board of directors in September 4, 2014.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation consolidated financial statements

These consolidated financial statements are prepared in accordance with Egyptian accounting standards issued in 2006 and its amendments and in accordance with the instructions of the Central Bank of Egypt (CBE) rules approved by its Board of Directors on 16 December 2008 under the historical cost convention, as modified by the measurement of financial assets and financial liabilities at fair value or amortized cost, as appropriate, including financial assets classified as at fair value through profit or loss, available for sale financial assets, held to maturity financial assets, loans and receivables and all derivative instruments. The consolidated financial statements of the Bank and its subsidiaries have been prepared in accordance with Egyptian Accounting Standards, the subsidiaries companies are entirely included in the consolidated financial statements and these companies are the companies that the bank which - directly or indirectly – has more than half of the voting rights or has the ability to control the financial and operating policies of an enterprise, regardless of the type of activity, the consolidated financial statements of the Bank can be obtained from the Bank's management. The investments in subsidiaries and associate Companies are disclosed in the standalone financial statements of the Bank and its accounting treatment is at cost after deducting the impairment losses.

Export Development Bank of Egypt (S.A.E.)
Notes to the Consolidated Financial Statements (summary)
For the year ended June 30, 2014

2.2 Basis of Consolidation

2.2.1 Subsidiaries

- Subsidiaries are all entities over which the Bank has owned directly or indirectly the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Bank has the ability to control the entity.
- The consolidated financial statements are prepared starting from the control date of the Subsidiaries entities till stopping date of exercising voting rights.
- The subsidiary companies have been consolidated by using indirect method from June 30, 2014.

Subsidiary companies consolidated by the bank (the holding co.) represented in the following as at June 30, 2014:

	<u>June 30, 2014</u>	<u>%</u>	<u>June 30, 2013</u>	<u>%</u>
	<u>EGP</u>		<u>EGP</u>	
Export Credit Guarantee Company of Egypt	176,382,811	70,55	176,382,811	70,55
Egypt Capital Holding Company	339,983,000	99,99	339,983,000	99,99
International holding for financial investments	249,975,000	99,95	249,975,000	99,95
Egyptian company for real estate investments	152,865,000	39,5	152,865,000	39,5
Egyptian tourism development company	6,769	0,01	5,491	0,01
Egypt Capital for real estate investments	2,500	0,05	2,500	0,05
BETA Financial holding	136,986,300	99,99	--	--
A BETA for real estate investment	87,690,000	39,50	--	--

The touristic investments company at sahl hashish (one of Egypt capital holding company subsidiary) has been consolidated as it represents an indirect investment with controlling conditions by our bank.

2.2.2 The eliminated transactions:

For preparation purpose of the consolidated financial statements, all balances and transactions between the bank and subsidiaries companies are eliminated.

Export Development Bank of Egypt (S.A.E.)
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3. Financial investment in subsidiary and associates

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
	<u>EGP</u>	<u>EGP</u>
Philae Company for Floating Hotels	6,875,000	6,875,000
	<u>6,875,000</u>	<u>6,875,000</u>

4. Paid Up Capital and Reserves

4.1 Capital

The authorized capital amounted to LE. 2,000,000,000. The issued and paid up capital amounted to LE. 1,440,000,000 as of June 30, 2014, distributed over 144,000,000 common shares with a par value of EGP 10 each.

4.2 Reserves

In accordance with the Bank's statute, a 10% of annual net profit is transferred to the legal reserve; such transfer is possible to be ceased when the legal reserve reaches 50% of issued capital. Reserves on June 30, 2014 represented in the following:

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
	<u>EGP</u>	<u>EGP</u>
General banking risk reserve	106,340,193	106,340,193
Banking risk reserve – acquired assets	8,140,782	6,785,209
Legal reserve	15,628,705	12,770,779
General reserve	12,298,755	10,887,754
Fair value reserve-available for sale investment	138,024,393	25,891,565
Special reserve	35,118,940	35,118,940
Capital reserve	1,909,735	1,909,735
	<u>317,461,503</u>	<u>199,704,175</u>