

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 2006 (IN THOUSANDS OF LBP - AUDITED)

ASSETS	31.12.2006			31.12.2005		
	LBP	FCY	TOTAL	LBP	FCY	TOTAL
1. Cash and Central Bank	7,907,631	125,000,416	132,908,047	23,382,466	123,079,704	146,462,170
2. Lebanese Treasury bills and other government bills	58,892,179	25,349,755	84,241,934	35,744,588	21,438,539	57,183,127
3. Bonds and financial instruments with fixed income	-	45,995,524	45,995,524	-	42,451,099	42,451,099
4. Marketable securities & fin. instruments with var. income	-	10,600,229	10,600,229	-	12,996,642	12,996,642
5. Banks and financial institutions	4,457,050	361,778,457	366,235,507	973,739	352,181,084	353,154,823
Current accounts	457,050	43,130,194	43,587,244	673,739	34,508,299	35,182,038
Time deposits	4,000,000	318,648,263	322,648,263	300,000	317,672,785	317,972,785
6. H.O. & branches, parent co., foreign sister fin. inst. & subsid.	-	8,290,367	8,290,367	-	9,883,581	9,883,581
Current accounts	-	1,060,052	1,060,052	-	289,861	289,861
Time deposits	-	7,230,315	7,230,315	-	9,593,720	9,593,720
7. Loans and advances to customers	5,666,440	348,181,640	353,848,080	4,136,727	292,324,174	296,460,901
Commercial loans	-	2,166,094	2,166,094	-	3,646,518	3,646,518
Overdraft accounts *	5,642,122	345,182,639	350,824,761	3,951,061	287,351,563	291,302,624
Doubtful loans **	24,318	832,907	857,225	185,666	1,326,093	1,511,759
8. Bank acceptances	-	33,338,640	33,338,640	-	41,213,019	41,213,019
9. Investments and Participations	572,903	12,273,253	12,846,156	615,119	11,845,729	12,460,848
10. Investments in related parties under equity method	-	-	-	-	-	-
11. Tangible fixed assets (including revaluation variance)	5,452,189	9,649,453	15,101,642	16,020,963	9,477,288	25,498,251
12. Intangible fixed assets	487,769	97,201	584,970	285,828	96,491	382,319
13. Other assets	44,338	-	44,338	30,993	-	30,993
14. Regularization accounts & miscellaneous debtor accounts	1,776,954	5,151,198	6,928,152	1,773,136	6,689,504	8,462,640
15. Revaluation variance of other fixed assets	-	-	-	-	-	-
16. Goodwill	-	-	-	-	-	-
Total Assets	85,257,453	985,706,133	1,070,963,586	82,963,559	923,676,854	1,006,640,413
** After deduction of	230,606	5,471,067	5,701,673	426,771	6,194,035	6,620,806
Provisions for doubtful debts	99,953	3,487,209	3,587,162	83,237	3,597,572	3,680,809
Unrealized interest for doubtful debts	130,653	1,983,858	2,114,511	343,534	2,596,463	2,939,997
* Includes substandard loans	1,075,398	3,157,140	4,232,538	11,330	3,106,539	3,117,869
* Less unrealized interest for substandard loans	266,052	1,288,403	1,554,455	176,325	1,399,026	1,575,351
OFF BALANCE SHEET ITEMS						
17. Financing engagements received from fin. intermediaries	-	-	-	-	-	-
18. Engagements by signature received from fin. intermediaries	-	22,276,707	22,276,707	97,607	14,031,069	14,128,676
19. Securities sold under repurchase agreements	-	-	-	-	-	-
20. Other engagements received	-	-	-	-	-	-
21. Bad debts fully provisioned for, transferred to Off-B.Sheet	44,380	2,265,197	2,309,577	48,691	2,041,728	2,090,419
Total Contra Accounts	44,380	24,541,904	24,586,284	146,298	16,072,797	16,219,095

LIABILITIES/SHAREHOLDERS' EQUITY	31.12.2006			31.12.2005		
	LBP	FCY	TOTAL	LBP	FCY	TOTAL
1. Central Bank	-	-	-	-	-	-
2. Banks and financial institutions	3,073,933	25,209,690	28,283,623	2,000,415	28,832,786	30,833,201
Current accounts	73,933	20,687,190	20,761,123	-	12,539,306	12,539,306
Time deposits	3,000,000	4,522,500	7,522,500	2,000,415	16,293,480	18,293,895
3. H.O. & branches, parent co., foreign sister fin. inst. & subsid.	699	19,172,152	19,172,851	-	16,211,896	16,211,896
Current accounts	699	19,172,152	19,172,851	-	16,211,896	16,211,896
Time deposits	-	-	-	-	-	-
4. Deposits from customers	46,550,697	788,894,654	835,445,351	42,596,441	753,982,816	796,579,257
Sight deposits	7,506,542	138,335,746	145,842,288	7,955,683	157,859,570	165,815,253
Time deposits	29,733,693	623,174,864	652,908,557	24,550,133	571,366,135	595,916,268
Saving accounts	9,310,462	27,384,044	36,694,506	10,090,625	24,757,111	34,847,736
5. Engagements by acceptances	-	33,338,640	33,338,640	-	41,213,019	41,213,019
6. Liabilities under financial instruments	-	-	-	-	-	-
7. Other liabilities	2,285,685	12,258,514	14,544,199	1,426,339	16,799,854	18,226,193
8. Regularization accounts/miscellaneous creditor accounts	847,251	4,017,156	4,864,407	810,658	5,039,474	5,850,132
9. Provision for risks and charges	1,622,113	2,698,263	4,320,376	1,332,328	1,864,457	3,196,785
10. Subordinated loans (or notes)	-	22,680,318	22,680,318	-	22,680,320	22,680,320
11. Revaluation variance accepted as supplementary capital	-	-	-	-	-	-
12. Share capital and cash contribution	16,200,000	27,005,525	43,205,525	16,000,000	27,307,704	43,307,704
13. Reserves for general banking risks	1,240,000	4,190,850	5,430,850	1,198,000	3,331,575	4,529,575
14. Reserves, premiums and equity differences	4,040,075	30,465,027	34,505,102	3,297,943	398,359	3,696,302
Group share	4,040,075	30,465,027	34,505,102	3,297,943	398,359	3,696,302
Minority share	-	-	-	-	-	-
15. Balance carried forward	13,996,389	-	13,996,389	12,572,081	-	12,572,081
Group share	13,996,389	-	13,996,389	12,572,081	-	12,572,081
Minority share	-	-	-	-	-	-
16. Net income (or loss) for the period	10,576,144	-	10,576,144	7,743,948	-	7,743,948
Group share	10,576,144	-	10,576,144	7,743,948	-	7,743,948
Minority share	-	-	-	-	-	-
17. Change in fair value of available for sale securities	374,187	225,624	599,811	-	-	-
Total Liabilities and Shareholders' Equity	100,807,173	970,156,413	1,070,963,586	88,978,153	917,662,260	1,006,640,413
OFF BALANCE SHEET ITEMS						
18. Financing engagements issued	-	-	-	-	-	-
19. Engagements by signature issued	4,471,280	157,888,716	162,359,996	5,327,791	112,971,132	118,298,923
To Financial intermediaries	-	96,243,332	96,243,332	-	80,479,409	80,479,409
To Customers	4,471,280	61,645,384	66,116,664	5,327,791	32,491,723	37,819,514
20. Securities purchased under resale agreements	-	-	-	-	-	-
21. Other engagements issued	-	-	-	-	-	-
22. Engagements on term financial instruments	-	-	-	-	-	-
23. Fiduciary accounts and funds under management	-	18,093,965	18,093,965	-	15,816,989	15,816,989
Total Contra Accounts	4,471,280	175,982,681	180,453,961	5,327,791	128,788,121	134,115,912
Values in Deposit	1,095,423	262,295,692	263,391,115	62,264	222,343,110	222,405,374

PROFIT AND LOSS ACCOUNT (IN THOUSANDS OF LBP - AUDITED)

	31.12.2006	31.12.2005
Interest and similar income	58,615,046	43,293,802
Lebanese treasury bills	6,379,271	3,635,431
Deposits & similar accounts in banks and financial institutions	21,741,686	13,353,630
Deposits in H.O, branches, parent company and foreign sister financial institutions and subsidiaries	611,477	267,880
Bonds and financial instruments with fixed income	1,864,259	2,481,214
Loans and advances to customers	28,018,353	23,555,647
Interest and similar charges	42,451,797	29,977,544
Deposits & similar accounts from banks/fin. institutions	1,021,416	753,812
Deposits from H.O, branches, parent company and foreign sister financial institutions and subsidiaries	776,076	666,528
Deposits from customers and other creditor accounts	37,331,399	25,773,850
Cash contribution to capital/subordinated loans (or notes) *	3,322,906	2,783,354
Net allocation to provisions	1,222,239	1,305,584
Provisions for doubtful debts	1,959,651	1,623,091
Provisions for doubtful debts no more required	737,412	317,507
Net interest received	14,941,010	12,010,674
Income from marketable securities & fin. inst. with variable income	-	-
Net commissions	5,284,158	5,714,190
Commissions received	5,949,554	6,265,503
Commissions paid	665,396	551,313

Profit on financial operations	7,819,894	7,443,870
Marketable securities	2,193,279	2,494,350
Financial fixed assets	1,737,616	388,641
Foreign exchange transactions	2,194,627	2,559,330
Financial instruments	1,694,372	2,001,549
Loss on financial operations	-	-
Net profit or loss on financial operations	7,819,894	7,443,870
Other operating income	1,067,030	1,262,583
Other operating charges	-	-
General operating expenses	19,749,174	15,928,872
Staff expenses	11,085,001	9,251,300
Other operating expenses	8,664,173	6,677,572
Allocation to provisions and depreciation of fixed assets	1,571,620	1,368,550
Net allocation to provisions on financial fixed assets	-	-
Net allocation to provisions on contra accounts	-	-
Net income - before taxes	7,791,298	9,133,895
Net extraordinary income - before taxes	4,358,614	(376,943)
Extraordinary income	4,623,421	8,746
Extraordinary expenses	264,807	385,689
Income tax	1,573,767	1,013,004
Net profit - after taxes	10,576,145	7,743,948
Group share	10,576,145	7,743,948
Minority share	-	-

*includes interest on subordinated loan 1,547,170 (000's LBP) up to December 2006 and December 2005 respectively.

Board of Directors:

Chairman: Mr. Henry Y. OBEGI

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Emir Karim S. ABILLAMA

Management:

Chairman: Mr. Henry Y. OBEGI

General Manager: Mr. Samih H. SAADEH