

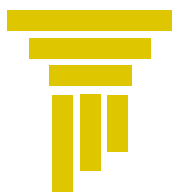
BYBLOS INVEST BANK SAL

Phone: (01) 335200, Fax: (01) 339436, Web: [http:// www.byblosbank.com.lb](http://www.byblosbank.com.lb)

Capital LBP 15.000.000.000 Fully paid

AUDITED CONSOLIDATED BALANCE SHEET

In LBP Million	December 2003		
	LBP	C/V LBP	Total
ASSETS			
Cash and Central Bank	50		50
Lebanese Treasury bills and other government bills			0
Bonds and financial instruments with fixed income			0
Marketable securities & fin.instruments with variable income	5,189		5,189
Banks and financial institutions	0	0	0
- Current accounts			0
- Time deposits			0
- Securities purchased under resale agreements			0
H.O. & branches, parent co., sister inst. & subsidiaries	7,433	0	7,433
- Current accounts	(7,433)		(7,433)
- Time deposits			0
Loans and advances to customers (*)	0	0	0
- Commercial loans			0
- Other loans to customers			0
- Overdraft accounts			0
- Net debtor accts / creditor accts & cash collateral			0
- Loans & advances to related parties			0
- Net Non Performing Loans			0
- General Provisions			0
Bank acceptances			0
Investment and loans to related parties			0
Investment in related parties under equity method	0	0	0
- Non-financial			0
- Financial			0
Tangible fixed assets (including revaluation variance)			0
Intangible fixed assets			0
Other assets	2,250		2,250
Regularisation accounts & miscellaneous debtor accounts			0
Revaluation variance of other fixed assets			0
Goodwill			0
TOTAL ASSETS *	14,922	0	14,922
(*) of which substandard loans, net of reserved interest			
(*) After deduction of:			
Provisions for Doubtful Debts			
Unrealized interests on:			0
- Substandard Loans			
- Doubtful loans			
CONTRA ACCOUNTS			
Commitments by Signature Received - Financial Institutions			0
Commissions by Signature Received - Customers			0
Total contra accounts	0	0	0
Npls fully provisioned transferred to Off-BS			0



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AUDITED CONSOLIDATED BALANCE SHEET

In LBP Million	December 2003		
	LBP	C/V LBP	Total
LIABILITIES			
Central bank			0
Banks and financial institutions	0	0	0
- Current accounts			0
- Time deposits			0
- Securities sold under repurchase agreements			0
H.O. & branches, parent co., sister inst. & subsidiaries	0	0	0
- Current accounts		0	0
- Time deposits			0
Deposits from customers	0	0	0
- Sight deposits			0
- Time deposits			0
- Saving accounts			0
- Net creditor accts / debtor accts & cash collateral			0
- Related parties accounts			0
Engagements by acceptances			0
Liabilities under financial instruments	0	0	0
- Certificates of deposits			0
- Debenture bonds			0
- Other liabilities under financial instruments			0
Other liabilities	15		15
Regularisation accounts & miscellaneous creditor accts			0
Provisions for risks and charges			0
Subordinated loans (or notes)			0
Revaluation variance accepted as supplementary capital			0
Share capital and cash contribution	15,000		15,000
Reserves for general banking risks			0
Reserves and premiums and equity differences	0	0	0
Balance carried forward	0	0	0
Net income (or loss) for the year	-93	0	-93
Cumulative Changes in Fair Value			0
Consolidation Differences			0
Minority Interest			0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	14,922	0	14,922
CONTRA ACCOUNTS			
Engagements by Signature - Financial institutions			0
Engagements by Signature - Customers			0
Engagements by Financial instruments			0
TOTAL CONTRA ACCOUNTS	0	0	0

AUDITED CONSOLIDATED PROFIT & LOSS ACCOUNT

In LBP Million	2003
Interest and similar income	34
- Lebanese treasury bills	
- Deposits & similar accounts in banks & fin. Institutions	
- Deposits in head office & branches, parent company & foreign sister financial institutions & subsidiaries	34
- Bonds and financial instruments with fixed income	
- Loans and advances to customers	
- Loans and advances to related parties	
- Other interest and similar income	
Interest and similar charges	0
- Deposits & similar accts from banks & fin. Institutions	
- Deposits from head office & branches, parent company & foreign sister financial institutions & subsidiaries	
- Deposits from customers and other creditor accounts	
- Deposits from related parties	
- Cash contribution to capital and subordinated loans	
- Certificates of deposits	
- Bonds and financial instruments with fixed income	
- Other interest and similar charges	
Net allocation to provisions	0
- Provisions for doubtful debts	
- Provisions for doubtful debts no more required	
Net interest received	34
Income from marketable securities & financial instruments with variable income	
Net commissions	0
- Commissions received	
- Commissions paid	
Profit on financial operations	0
- Marketable securities	
- Financial fixed assets	
- Foreign exchange transactions	
- Financial instruments	
Loss on financial operations	0
- Marketable securities	
- Financial fixed assets	
- Foreign exchange transactions	
- Financial instruments	
Net profit or loss on financial operations	0
Other operating income	
Other operating charges	
General operating expenses	19
- Staff expenses	
- Other operating expenses	19
Allocation to prov. & depreciation of fixed assets	
Net allocation to prov. on financial fixed assets	0
Net allocation to prov. on contra accounts	
Net income for the year - before taxes	16
Net extraordinary income - before taxes	-109
- Extraordinary income	
- Extraordinary expenses	109
Income tax	
Share in results of related cos. under equity method	0
- Non-financial institutions	
- Financial institutions	
Net profit for the year - after taxes	-93

AUDITED CONSOLIDATED CASH FLOW STATEMENT

In LBP Million	2003
OPERATING ACTIVITIES	
Losses for the year	(93)
Adjustments for:	
Depreciation	
Amortization of Goodwill	
Provisions on Non-Performing Loans, net of recoveries	
Amortization of soft loan discount	
Provision for employees' end of service benefits	
Provision for foreign currency fluctuation	
Provision on financial fixed assets	1
Loss (Gain) from sale of premises and equipment	
Unrealized Gains on securities with variable income	
Other provisions	
Effect of foreign exchange fluctuation	
Changes in Minority Interest	
Operating profit before working capital changes	(92)
(Increase) in cash and balances with Central Bank	
(Increase) decrease in placement with Banks & other financial institutions	
(Increase) decrease in loans and advances to customers	
Decrease in portfolio held for trading	
Decrease (increase) in other assets	
Variation in order and regularisation accounts	15
(Decrease) increase in due to banks and other financial institutions	
Increase in customers' deposits	
Decrease in certificates of deposits	
Decrease (increase) in other liabilities	
Provision for termination indemnity transferred from merged bank	
Employees' end of service benefits paid during the year	
Taxes Paid	
Net cash from operating activities	(77)
INVESTING ACTIVITIES	
Purchase of non-trading investments, net	
Proceeds on sale of tangible fixed assets	
Purchase of premises and equipment	
Sale of premises and equipment	
Purchase of marketable securities with variable income	(5,189)
Sale of participations in companies	(1)
Blocked Deposit at the ministry of finance	(2,250)
Net cash from investing activities	(7,440)
FINANCING ACTIVITIES	
Capital	15,000
Tax deducted from reserves	
Proceed from soft loan	
Proceed from other loans	
Preferred Shares Issuance - Par Value	
Premium on Preferred Shares Issuance	
Increase (Decrease) of term loans	
Dividends paid	
Effect of exchange on shareholders' equity	
Net cash used in financing activities	15,000
Increase (decrease) in cash and cash equivalents	7,483
Cash and cash equivalents at 1 January	0
Cash and cash equivalents as at 31 December	7,483