

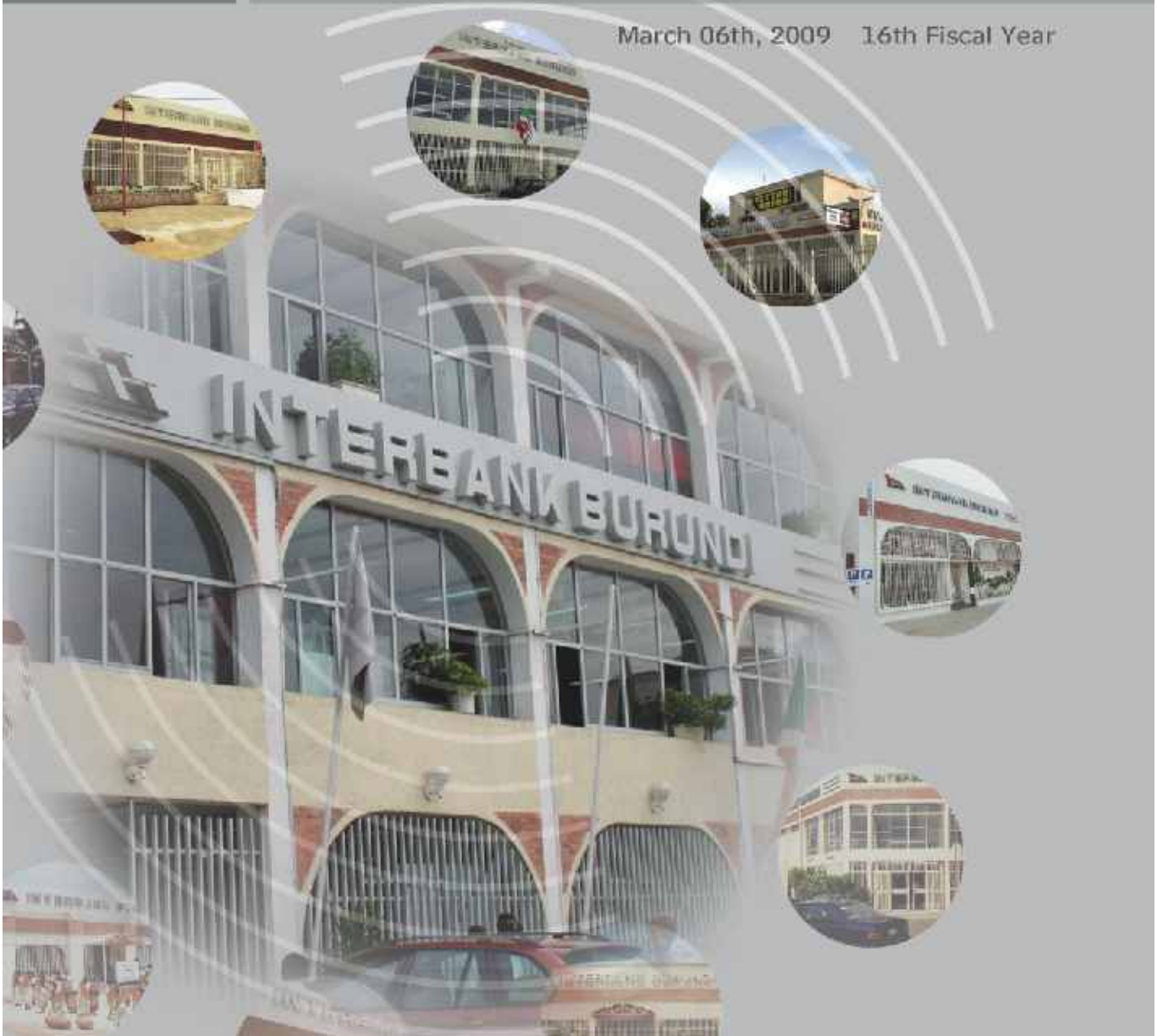


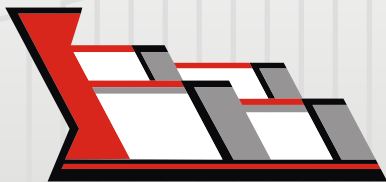
INTERBANK BURUNDI s.a.

2008

Report & Account

March 06th, 2009 16th Fiscal Year





INTERBANK BURUNDI s.a.

15, Rue de l'Industrie • P.O. Box 2970 Bujumbura • Tel. : (257) 22 22 06 29

Fax : (257) 22 22 04 61 • E-mail : info@interbankbdi.com • Web Site : www.interbankbdi.com • SWIFT CODE : IBBU BIBI



REPORTS

TO THE

ORDINARY AND EXTRAORDINARY GENERAL MEETING

06th MARCH 2009

16th Fiscal Year

INTERBANK BURUNDI

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FISCAL YEAR	1999	2000	2001	2002
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LOANS

Current accounts debtors	11,410.8	15.219,9	17,755.4	20,138.7
Coffee loans	1,467.9	1.217,9	826.9	5,090.4
Other loans	3,465.6	5.108,5	6,388.3	10,679.5
TOTAL	16,344.3	21.546,3	24,970.6	35,908.6

DEPOSITS

At sight deposits	11,731.1	15,812.1	19,039.9	30,560.2
Deposits and cash vouchers	4,282.8	4,483.5	4,911.6	9,682.8
Saving accounts	660.7	697.4	762.6	1,039.4
TOTAL	16,674.6	20,993.0	24,714.1	41,282.4

Margin (Res-Uses)	330.3	-553.3	-256.5	5,373.8
Credit to the Financial sector	89,445.4	122,651.0	137,177.0	169,050.4
IBB share (%)	18.3	17.6	18.2	21.2
Credit from banks	72,073.7	102,190.9	112,134.4	139,662.5
IBB share (%)	22.7	21.1	22.3	30.0
Net income	973.9	1,329.8	1,121.0	1,085.3
Shareholders Equity	3,211.9	4,211.8	4,969.8	5,692.0

KEY FIGURES

2003**2004****2005****2006****2007****2008**

25,083.9	29,026.0	32,976.8	41,224.0	50,086.8	58,413.6
2,374.2	3,001.4	1,086.3	10,950.0	3,224.0	9,414.0
8,658.8	13,069.4	9,988.4	10,361.9	16,176.9	22,434.5
36,116.9	45,096.8	44,051.5	62,535.9	69,487.7	90,262.1

36,960.9	49,573.1	46,254.8	64,964.7	73,002.4	114,409.7
10,697.8	13,300.3	12,989.4	23,998.0	28,818.1	28,513.3
1,311.6	1,545.2	2,201.2	2,569.4	3,490.4	5,161.1
48,970.3	64,418.6	61,445.4	91,532.1	105,310.9	148,084.1

12,853.4	19,321.8	17,393.9	28,996.2	35,823.2	57,822.0
180,703.6	180,259.7	181,142.3	203,806.3	230,435.4	305,486.3
20.0	25.0	24.3	30.7	30.2	29.5
160,827.6	161,742.2	165,376.1	183,618.6	205,229.3	276,919.1
22.5	27.9	26.6	34.1	33.9	32.6
1,110.5	1,847.0	2,267.1	2,182.3	3,264.6	5,138.2
6,439.5	7,553.3	8,965.9	11,567.6	13,568.5	17,443.1

ON 10 YEARS

ON 10 YEARS

Message of the Chairman of the Board of Directors

In a gloomy economic growth environment, Interbank Burundi has once again achieved strong commercial and financial performances.

As a matter of fact, while confirming the good 2007 results, the bank achieved, for the first time, a net profit exceeding 5 billion francs, standing at 5,138.2 MF, thus increasing its own gross capital to 17,443.1 MF.

These results are due to the strengthening of the Bank's cohesion and organization, its positioning on the overall customer segment, and its successful win over in 2007.

They are also the testimony of the commitment and skills of our staff members who benefited from the many training programs leading them to occupy high added value positions in a professional environment constantly undergoing never-ending changes.

In 2008, Interbank Burundi continued the building of its distribution network: one operational bank counter was established in Cankuzo, in the East of the country, in August, and another one was launched in Bubanza, Northern-West of the country, while a collection counter was established within the Brarudi Gitega premises. These new sites totalize the number of 26 sale outlets and enable our customers from the Eastern and North-Western regions to benefit from a greater neighborhood for their bank operations.

This neighborhood approach is derived from our ambition to get close to our customers wherever they are, to continue our development by reinforcing our position as a retail bank and by expanding our scope of activity.

Since its beginning, Interbank Burundi has been characterized by a history of growth, a strong growth leading, beyond the change of dimension, to a deep transformation and into a model which managed to resist in a difficult socioeconomic crisis environment of unprecedented scale.

In this continuous development, the commercial and financial achievements of the Bank, in 2008, testify to our capacity of pursuing the building of a key player bank, indispensable in the Burundian financial landscape.

However, the challenges are still daunting.

The mix of the entry of new foreign actors coming from other economic worlds and the changes in technology lead to disruption in the practice of our banking system without mentioning the opening, which will not be very long now, of our financial market to the East African Community actors.



Since its beginning, Interbank Burundi has been characterized by a history of growth, a strong growth leading, beyond the change of dimension, to a deep transformation and into a model which managed to resist in a difficult socioeconomic crisis environment of unprecedented scale.



Georges COUCOULIS
Chairman of the Board of Directors

Confronted to these challenges, the strength of acquired positions is a very strong asset: 40% of the market share for «deposits» and 35% of the market shares for the «loans». The complementarities and synergies of our customer segments covered by these market shares and the great success of our national network enable Interbank Burundi to be one important length ahead.

In order to strengthen its positioning, the Bank permanently keeps in mind the adequacy of its offer to the evolution of its customers and to the deep sociological and technological trends. Thus, in addition to the pursuit of the expansion towards the great distribution segments and into foreign currency funding projects, Interbank Burundi launched the electronic banking services in view of issuing proprietary cards and Visa International cards during the first quarter of 2009 and concluded with USAID a Credit Guarantee Agreement dedicated to the agriculture and micro finance sectors, an agreement which will enable the expansion of our interventions to those sectors.

This business development will be continued: the opening of new agencies, the constant research of new niches, and the research of new partnerships will remain on our agenda in 2009.



It is a year we are entering in with a cautious but yet confident optimism.

Indeed we are ending a 2008 fiscal year with solid results supported by a development model which has proved its worth. The main axes of our strategy have proved their relevancy: win over, development of customer loyalty, and innovation.

Since ten years, the Bank has been strongly developed and managed to grow without altering neither its profitability neither its efficiency requirement. The threefold increase of the activities and profits and the doubling of the number of customers were achieved during a relatively short period due namely to our capacity to seize emerging opportunities.

The Bank financial situation, as far as it is concerned, enables it to ensure the continuation of its organic growth while significantly investing in the process of strengthening its risks management.

Relying on all these assets, Interbank can envisage, with clear-headedness and confidence, tomorrow's challenges to achieve its ambition: to become a Burundian community-based bank leader.

Georges COUCOULIS.



Message of the Chairman of the Management Committee

In 2008, The Bank continued the strengthening of its capital base and trade expansion aimed at, among other things, widening its clients portfolio with very sizable returns: opening of a new counter in the Eastern region of the country, in Cankuzo, launching of a second one in Bubanza, in the North of the country, reinforced partnerships with important customer segments, and a strong increase of the net profit which passed the five-billions threshold, standing at 5,138.2 MF.

These realizations which were achieved in an improving but still fragile economic situation testify to the Bank capacity to adapt itself and to the decisive milestones passed in the consolidation of its positioning.

The 2008 financial year was in fact spent in a very mixed framework.

Although the disbursements of the budgetary supports pledged by the multilateral as well as bilateral donors were increased and the coffee harvest really abundant, their spillovers have been frustrated by the shocks that affected the food items and petroleum products prices.

Thus, the actual growth rate of the Gross Domestic Product increased only to 4.5%, in 2008, an increase in comparison with 2007, but lower than the expected 6.6%.

As for the inflation rate, it reached 22.0%, an annual slowdown, due precisely to the increase of the fuel and commodities prices.

Confronted to this difficult economic context, the Government and the Monetary Authority tried to maintain a steady prudential monetary policy and a dynamic management of the foreign exchange reserves in order to stabilize the inflationist trends while pursuing the reforms deemed necessary for the strengthening of the financial system.

Consequently, a draft Central Bank reform was initiated, which should ensure it more freedom, and help it to focus on its mission of ensuring the price stability, while at the same time was undertaken the revision of the rules governing the banking supervision and the measures aimed at strengthening the banks and financial institutions' capital.

At the level of strengthening the financial system, while in 2007 the Central Bank had fixed the minimum capital of the banks at one billion to two and a half billion at the end of 2007, and three and a half billion at the end of 2008, and that of the financial institutions at two billions and two billions eight hundred millions, a new circular issued in August 2008 increases the minimum capital at five billions and ten billions respectively on December 31, 2009, and December 31, 2010, for the banks, and four and six billion francs for the financial institutions.



The very good financial performances achieved in this economic recovery framework are promising for the Bank welfare and development.



Callixte MUTABAZI
Managing Director

At the same time, the banking supervision was tightened with the issuance, in August 2008, of a new matrix of penalties.

Concerning the credit policy, worried by the non-productive debt burden which seals the profitability of the financial sector, the Central Bank authorized the banks and financial institutions to reschedule a loan default three times instead of the prevailing regulations of one time; the second and third times must however be submitted for prior approval.

The very good financial performances achieved in this economic recovery framework are promising for the Bank welfare and development.

The reason is that they are accompanied by an intense marketing work of strengthening the client base and the reinforcement of the operational and functional organization.

As for the marketing, the Bank continued its geographical expansion policy by establishing an operational counter in Cankuzo, in August 2008, and has launched the creation of another operational bank counter in Bubanza in the North-West of the country. A collection counter was also established within the Brarudi Gitega premises.

Again for marketing purposes and in order to expand its client portfolio, Interbank Burundi managed to sign with USAID, in September 2008, a Credit Guarantee Agreement dedicated to the agriculture and micro finance sectors, an agreement which will enable the expansion of our interventions to these sectors.

Similarly, a program with the IFC, a branch of the World Bank specialized in the financing of the private sector, is being assessed in order to place at the Bank's disposal a credit line of five million US dollars for the funding of very small, small, and medium-sized businesses in the service, agriculture, tourism or mines sectors. This credit line should again increase the Bank's intervention capacity in funding the economy.

Together with these marketing activities, a particular attention was devoted to the credits management streamlining and to the operational and functional organization. Without being exhaustive, we may mention the following initiatives:

- * Migration to the Oracle data base, a program which presents a wider adaptability of use of our banking software SuperBank, particularly for reporting, and on which depended the installation of the Visa International electronic banking;

- * Reorganization of the agencies with the appointment of « Operations Officers » in order to enable the Agencies' Managers to concentrate on the credits management and administration;
- * Extended review of all the physical “Credits” files in order to ensure the availability of all the main elements of the files and the “collateral files” and;
- * Restructuring of the « Clearing » section into an independent and decentralized entity at the Headquarters for a better efficiency.

Combined with a resources collection policy based on a specific approach for some customer segments, these actions translated into very satisfactory performances since the deposit and credit portfolios were increased respectively by about 43 and 21 billion francs from one financial year to another.

Futur Prospects

Following the example of the two last financial years, the 2009 year should remain focused on development: constant development of new ideas and new projects.

The overall strategic objective should be the strengthening of the present Bank positioning on the Burundian banking market: increase de market shares from 35 to 40%, in terms of resources as well as credits.

To achieve this objective, we should widen the Bank's client base through the continuation of its community-based policy and the diversification of the offer of products and services, as well as through the constant strengthening of its capital base.

Concerning the widening of its client base following a layout map aimed at serving the country's main business centers, the distribution network will be enriched with three new exploitation sites in 2009-2010:

- * Cibitoke: in the North and North-West of the country;
- * Karusi: in the Center-Eastern part of the country;
- * Rutana: in the South-East of the country;

These agencies which will target priority development areas in terms of infrastructures, such as roads and railways projects which will link the Western Tanzania to Gitega and Rutana via Cankuzo and Ruyigi, and the mining exploitation of the region which is rich in nickel and guest minerals, will reinforce the national foothold of our distribution network and greatly widen the resources collection base.

As for the products diversification, it should be noted that our present offer is limited to the classical savings, imports credit, and financing products.

Concerning the credits which are mainly short term commercial loans, seeking adapted resources through namely long term resources obtained from partnerships concluded with external financial institutions such as the IFC will enable the Bank to fund new niches such as exports agri-business, tourism, and mineral industries through mid or long term credits adapted to the life cycles of these sectors' projects.



New Bubanza Counter

As for the services, The Bank plans to issue electronic proprietary and international banking cards during the first quarter of 2009 and will expand the development of the electronic banking to the mobile banking by 2010.

Despite the knock-on effects that will certainly be generated by the widespread world recession on the demand of the Burundian exports products and of an expected cyclical regression of coffee production as compared to the year 2008, the 2009 socioeconomic environment will remain, according to us, propitious to the implementation of these activities.

On the one hand, the commitment of the donors to support the Burundian economic recovery is tangible when one considers the disbursements and the pledges made during the recent months by the World Bank and the International Monetary Fund.

As a matter of fact, the IMF agreed with the Burundian Government, in July 2008, upon a new program to support the implementation of the Poverty Reduction Strategic Program which covers the period 2008-2011.

In addition to the approval, in May and June 2008 of three new projects amounting to 80 million US dollars devoted to the implementation of water and electric infrastructures and of the payment in September of 10 million dollars for the alleviation of the food crisis impacts, the World Bank, on its behalf, approved an assistance strategy in favor of Burundi for 309 million US dollars for the period 2009-2012.

On the other hand, Burundi has just reached the completion point, in January 2009, for benefiting from the Highly Indebted Poor Countries (HIPC) debt reduction. The resulting debt alleviation of 1.4 billion US dollars should enable the country to save substantial amounts of resources in foreign currencies and to allocate them to the social services and infrastructures.

The implementation of all these programs, combined with the macroeconomic stabilization initiated by the Government and the Monetary Authority, should speed up the country economic growth.

It is up to us to anticipate this environment in order to size all the opportunities to achieve a harmonious growth.

We have taken decisive steps forward during the last five years. This is due to the commitment of all our social body and we encourage them to remain vigilant, permanently open to new ideas and new challenges.

With the acquired know-how in this field, we are confident that the year 2009 will be a year of consolidation and pursuit of a sustainable prosperity for our shareholders, our employees, and for all the communities in which our agencies operate.

Callixte MUTABAZI.

Report of the Board of Directors

ACTIVITIES DEVELOPMENT

As the sixteenth fiscal year of Interbank, the year 2008 was spent in a rather improving economic situation, although the external backlashes acted against the expected GDP growth rate of 6.6%. The actual growth rate of the Gross Domestic Product finally stood at 4.5%, an increase as compared to 2007 (3.6%).

The spin-offs of the increase of the disbursements of the budgetary supports pledged by the multilateral as well bilateral funds donors and the coffee harvest were indeed hampered by the backlashes which affected the food and fuel prices.


The legal and regulatory framework of the financial sector has also evolved in 2008 both in strengthening the financial and the credit policy.

It is within this economic and regulatory framework that Interbank Burundi continued the development of its marketing and financial performances: expansion of its distribution network by two new entities, partnerships concluded with foreign actors in order to widen its portfolio of activities, the increase of resources collection by 40.6%, the increase of the outstanding credits by 29.9%, and the increase of the net profit by 57.4%.

RESOURCES

The combined effects of the specific approach consisting of customers distributing high consumption products initiated in 2007 and the one dedicated to the other client segments put in place in 2008 as well as the resumption of the disbursements of foreign aids in favor of infrastructures and social projects, a great number of which are in business relationships with the Bank, are at the origin of a good performance in the collection of deposits.

This good performance is also due to the widening of the client base induced by the expansion of our distribution network which, among other things, increased by two units, namely in Cankuzo and Gitega.



The Board of Directors
at the March 06th, 2009
Ordinary and Extraordinary
General Assembly
(Hotel NOVOTEL)

From left to right :

Arturo Costa (Director),
Marguerite Rumbete (Director),
Callixte Mutabazi (Managing Director),
Georges Coucoulis (Chairman),
Bonaventure Nicimpaye (Director)
Bertrand Vidal Rebattu (Director)
Gabriel Baziruwisabiye (Director)
Reginald THIBAUT de MAISIERES (Director)



CREDITS

In this field, the Bank remained faithful to its strict credits supervision policy outstanding credits therefore increased less rapidly than the resources.

The progression of the credits to the economy was nevertheless marked by the strong demand for loans induced by the needs of working capitals caused by the prices pressure on food and fuel products.

It is also due, of course, to the importance of the credits given to the coffee industry whose output has particularly been abundant this year.



Credit Administration

The credit administration is based on a set of rules and procedures related to credit granting, delegation of authority, monitoring of risks, and classification of risks, identification and provisioning of depreciated risks.

For the fiscal year 2008, the streamlining of the “credits” function in the agencies as well as the review of all the loans files and « collaterals files » were followed carefully by our credit officers.

Outstanding Credits

The pursuit of a positive development of the economic activity, the abundant coffee campaign 2008/2009, and the price pressure on food and fuel products translated into investments and sustained funding needs of the businesses that took advantage of the evolution of our interventions.

SERVICES

International Banking

In 2008, The Bank continued its international positioning through winning over new customers and the strengthening of the relationships with its traditional partners.

The foreign currency reserves increased twofold, an increase of 85.3% against 57% in 2007, which gave a new impulse to the already highly competitive contribution of the Bank in the funding of foreign trade.

Counters' Transactions

In 2007, counter transactions were carried out in twenty-five counters instead of twenty-three in 2007; be it at the collection or payment levels, the transactions are in strong increase.

Consequently, the deposits and transfers made at the Central Bank amounted to a total of 266,677.6 M against 183,909.7 M in 2007, while the daily collection reached a peak of 3,596.8 M against 2,546.7 in 2007.

Inter Agencies Transactions

In 2008, the bank extended its network by the establishment of two agencies: an operational bank counter in Cankuzo and a collection counter within the Brarudi Gitega premises.

The inter-agencies transactions strongly intensified due to the synergies created within the Interbank Burundi distribution networks: they amounted to 249,073.6 M against 181,805.6 M in 2007.

TRANSACTIONS PROFITABILITY

The fact of keeping a comfortable interest rate following the expansion of the credits volume, the reinforced presence on the market of Treasury Bonds, a sustained activity at the International Banking level, and a successful control of the overheads enabled to achieve a strongly increased net profit at 5,138.2 M, that is an increase of 57.4%.

SOCIAL RESPONSIBILITY REPORT

STAFF

Human Resources Management

Interbank Burundi kept up a human resources policy based on dialogue and listening, on an active recruitment policy, and capacity building.

Endowed with a voluntarist sense of diversifying its employees' profiles, the Bank added its record in the promotion of mobility within the network by searching to promote the potentialities and tomorrow's future leaders by continuously ensuring the handing over.

About twenty new staff members were recruited in 2008, against 30 in 2007, which, in the present economic environment, is worth underlining.

It should be noted, on the other hand, that the feminization of the human resources continued, the women staff members representing about 40% of the total staff members, thus testifying, if need be, the voluntarist policy of promoting diversity which Interbank Burundi made its battle horse since a very long time.

Capacity Building

Interbank Burundi maintained its long-lasting tradition of investing in the capacity building of its employees by trying to implement a training policy and professional skills optimization.

This policy was translated in 2008 into the organization of several exchange sessions with the whole staff, section by section, on selling agency sales, transactions security, and competitive environment themes.

The capacity building commitment was also translated, in 2008, in the launching of a building project of an Interbank Training Center at the Boulevard de l'Uprona, in Bujumbura.

This center will, from now on, host the various training sessions organized in favor of the bank's staff members, be they internal training sessions or trainings supervised by specialized firms.

Human Development

In this field, the Bank remains focused on the creation of conditions conducive to providing staff incentives with a stimulating salary scale and the constant strengthening of its staff provident scheme « Supplementary Pension Fund ».

The contribution to that fund is presently 40% of the gross monthly salary in addition to the 5% net income which is yearly allocated by the Bank.

Maintaining a calm social climate propitious to a better productivity has remained the bank's priority. It is in this framework that several exchange meetings were organized between the Management and the Business Council; the last meeting dealt with the election of the new Council's members.

THE BANK AND ITS ENVIRONMENT


The Bank's devotion to its customers and the environment in which they live was not contradicted in 2008.

This social attachment is done in multiform activities now covering five main intervention sectors: the social partnership, the patronage and art and culture promotion, the environment protection, the sports partnerships, and training.

Interbank Burundi has, therefore, as usual, continued to pay attention to the needs of the most vulnerable people and the most needy groups, and maintained its contribution to the local communities in the field of basic infrastructures such as building schools or hospitals.

As far as arts are concerned, the Bank continued to enrich its collection of works of art through the acquisition of various woodcarvings made by Burundian artists, thus contributing to the promotion of the Burundian culture.

Concerning the environment, Interbank Burundi is convinced that the environment protection is a central pillar in the banks' social responsibility when one considers the nefarious consequences which some investments can cause to the ecosystem and biodiversity. That is why the Bank has adopted objectives and practices related to the environment of focusing its activities in this field. The Bank, therefore, takes into account the environment protection in its credits decisions, an attitude that translates among other things in visiting the installations and measuring the investment impact on the balance of the ecosystem.

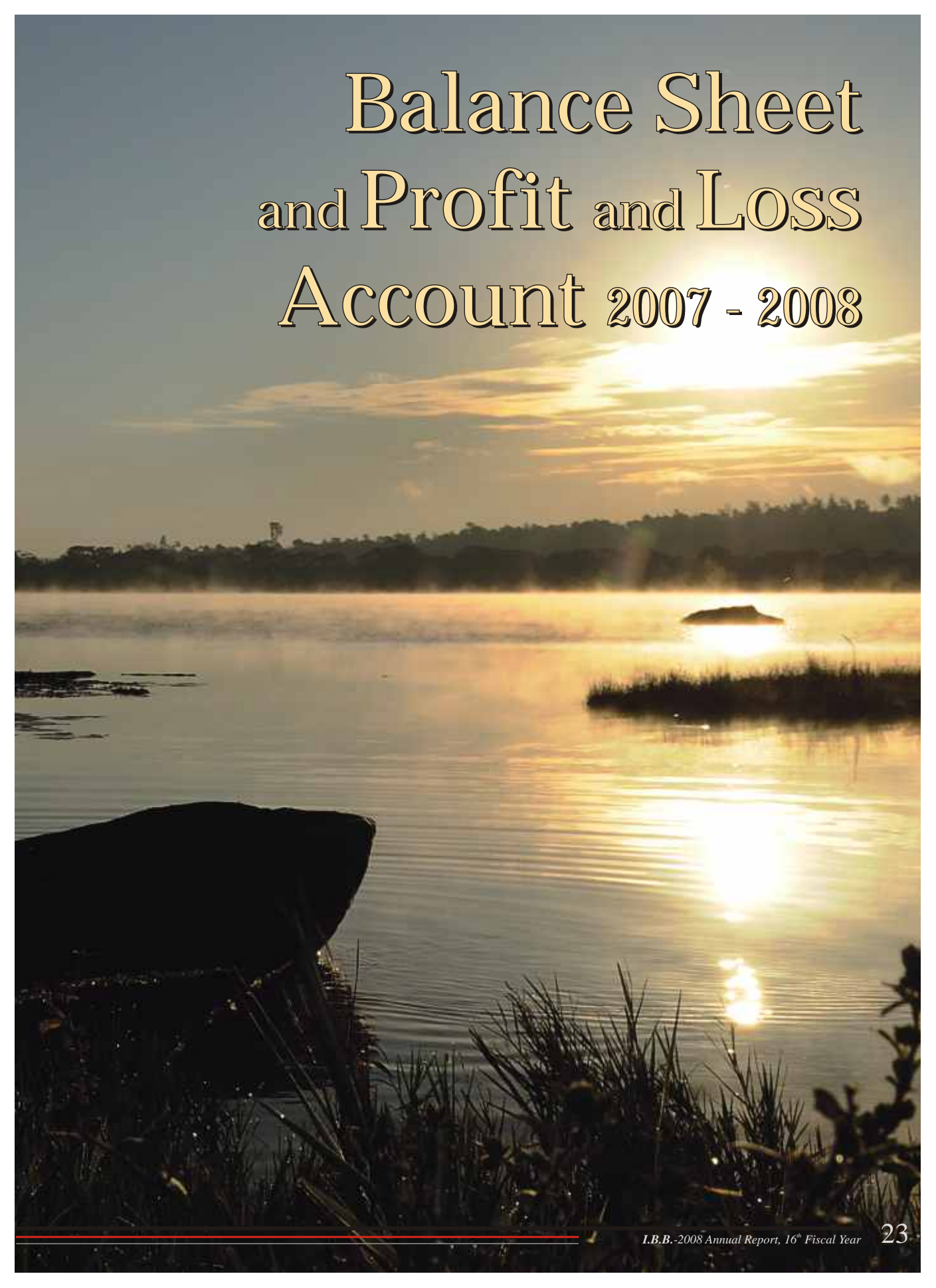


This is particularly true for all the investments affecting the quality of the Lake Tanganyika waters. At the same time, through its strong presence in the communities, Interbank strongly supports, through various grants and subsidies, the organizations and projects devoted to the protection of the environment such as **Action Ceinture Verte pour l'Environnement, «A.C.V.E. (Action Green Belt for the Environment)**.

Coming to sports, the continuous involvement of the Interbank Burundi in the golf, tennis, athletic tournaments, through partnerships established since several years, is also synonymous of the promotion of one's own values of dynamism and performance.

Concerning the training, the Bank continued to welcome young trainees at the end of their schooling in order to sharpen their employment capacities and ensure the supervision of their end of studies works.

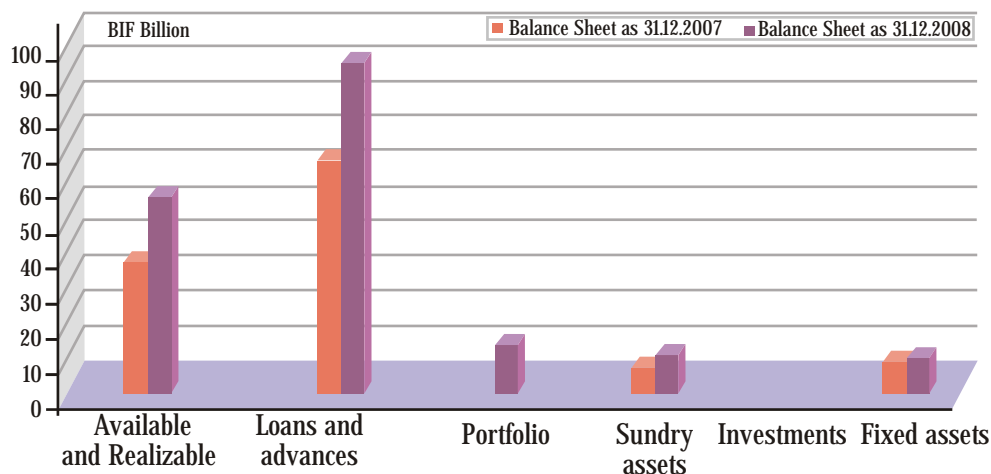
Again for training purposes, Interbank Burundi has continued its intervention for the fifth consecutive year in favor of the University Tournament, a contest organized every year by the Bujumbura Rotary Club, a program enabling the first laureates to benefit from the funding of their studies for three years in a row.



Balance Sheet and Profit and Loss Account 2007 - 2008

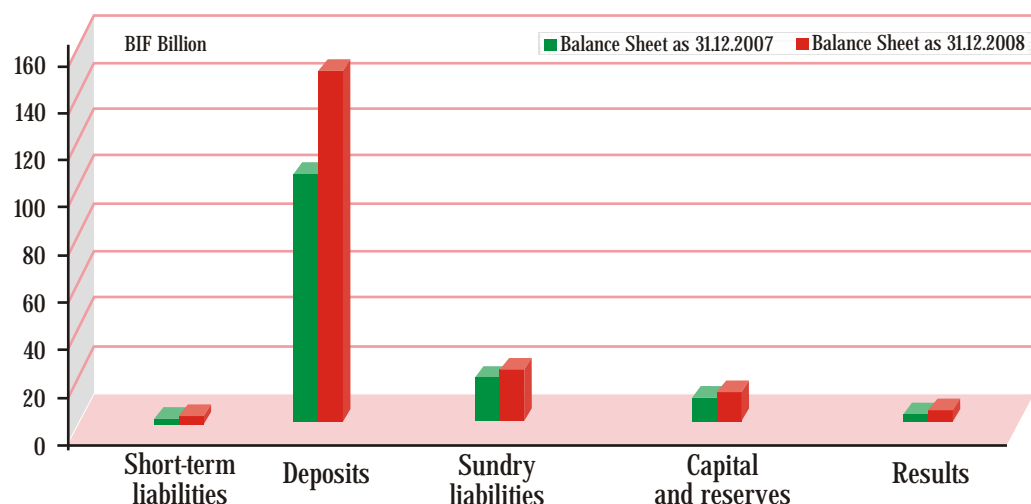
Balance Sheet as on 31.12.2008

ASSETS	31.12.2007	31.12.2008
1. Available and Realizable	34,618,067,956	55,844,473,793
·Cash-Central Bank-CCP	17,541,993,152	21,080,856,199
·Banks	16,566,198,074	34,497,730,762
·Call money (lendings)	0	0
·Other short-term assets	509,876,730	265,886,832
2. Loans and advances	62,535,922,508	90,262,135,397
·Current account debtors	41,224,030,281	58,413,600,425
·Coffee loans	8,525,159,120	9,414,017,090
·Rice loans	355,245,711	0
·Bills and commitments	12,437,481,396	22,434,517,882
3. Portfolio	48,000,000	16,109,900,000
·Treasury Bonds	0	1,109,900,000
·Treasury Certificates	48,000,000	15,000,000,000
4. Sundry assets	9,255,447,711	13,108,233,326
5. Investments	88,303,680	88,303,680
·Share capital	88,303,680	88,303,680
6. Fixed assets	10,841,212,988	12,216,953,478
·Land	183,891,024	183,891,024
·Premises	8,115,496,674	9,902,577,025
·Equipments and Furniture	2,467,883,842	2,037,958,718
·Start-up costs	73,941,448	92,526,711
TOTAL	117,386,954,843	187,629,999,674



as compared with 31.12.2007

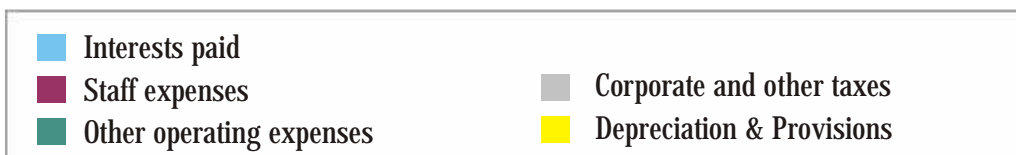
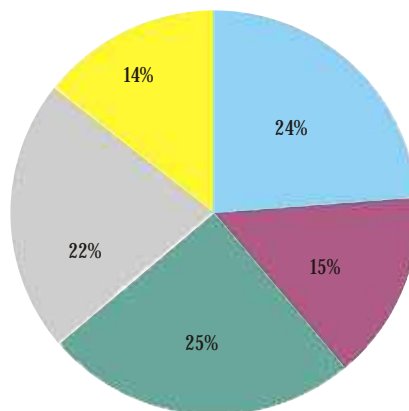
LIABILITIES	31.12.2007	31.12.2008
1.Short-term liabilities	2,832,570,972	4,119,660,435
·Preferential creditors	2,000,500,445	3,180,644,969
·Banks	116,028,058	16,786,245
·Refinancing from the Central Bank	0	0
·Other short-term liabilities	716,042,469	922,229,221
2. Deposits	105,310,859,686	148,084,068,221
·At sight deposits	73,002,423,972	114,409,716,622
·Term deposits	28,102,127,884	28,277,272,193
·Savings accounts	3,490,307,830	5,161,079,406
·Cash vouchers	716,000,000	236,000,000
3. Sundry liabilities	14,906,559,846	17,983,193,405
4. Capital and reserves	10,303,646,577	12,304,566,918
·Capital	3,960,000,000	3,960,000,000
·Capital and reserves to be shared	396,000,000	396,000,000
·Legal reserve	1,325,566,918	1,325,566,918
·Revaluation reserves	0	0
·Available reserve	3,653,579,659	5,654,500,000
·General provision for risks	968,500,000	968,500,000
5. Results	3,264,888,553	5,138,510,695
·Profit carried forward	283,696	262,330
·Net profit	3,264,604,857	5,138,248,365
TOTAL	136,618,525,634	187,629,999,674



Profit and Loss

DEBIT	31.12.2007	31.12.2008
1. Interests paid	3,956,416,046	4,239,227,344
2. Staff expenses	2,176,019,749	2,616,204,158
3. Other operating expenses	3,449,482,099	4,394,533,031
4. Corporate and other taxes	2,295,628,762	3,912,022,565
5. Depreciation & Provisions	3,500,787,382	2,548,181,648
6. Net income	3,264,604,857	5,138,248,365
TOTAL	18,642,938,895	22,848,417,111

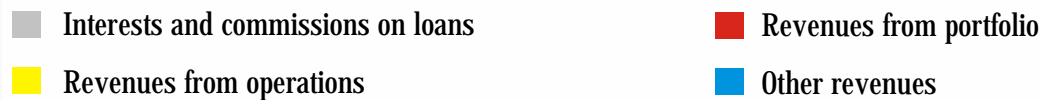
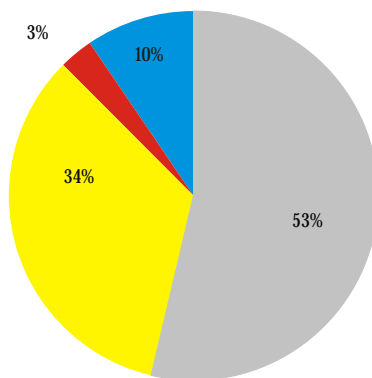
Breakdown of 2008 expenses per item



Account as on 31.12.2007

CREDIT	31.12.2007	31.12.2008
1. Interests and commissions on loans	9,031,690,376	12,239,523,471
2. Revenues from operations	7,331,340,163	7,779,235,912
3. Revenues from portfolio	802,042,084	648,576,835
4. Other revenues	1,477,866,272	2,181,080,893
TOTAL	18,642,938,895	22,848,417,111

Breakdown of 2008 earnings per item



Notes on the balance sheet and profit & loss accounts

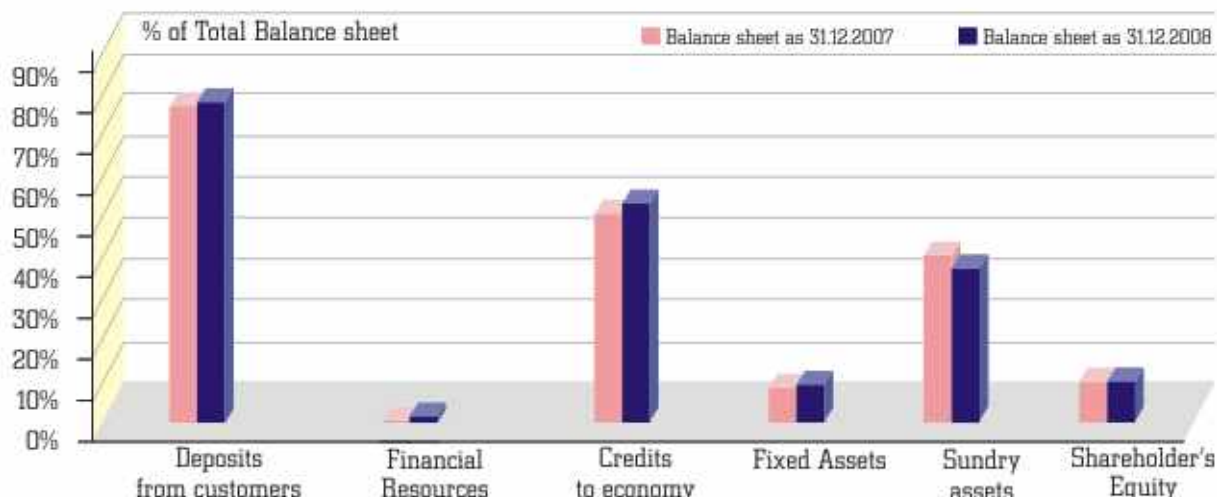
1. BALANCE SHEET

The Interbank Burundi consolidation exercise summarizes the up-country agencies statements which have separate accounting books.

Bif million	31.12.2008	Variation %	31.12.2007	Variation %
TOTAL BALANCE SHEET	187,630.0	+37.3	136,618.5	+16.4
Deposits from customers	148,084.1	+40.6	105,310.9	+15.1
Financial Resources	16.9	-85.4	116.0	-92.9
Credits to economy	90,262.1	+29.9	69,487.7	+11.1
Net Fixed Assets	12,216.9	+5.2	11,613.9	+7.1
Sundry Assets	85,150.9	+53.4	55,517.0	+26.1
Shareholders' Equity	17,443.1	+28.6	13,568.5	+17.3

The main evolution trends of the balance sheet on 31st, December, 2008, are as follows:

- The customers' deposits increase strongly accelerated, standing at 148,084.1 MF, that is, an increase of 40.6% as compared to the deposits of the 2007 fiscal year, against an increase of 15.1% recorded in 2007 ; the funding resources continued their decline, showing a decline of 85.4% at 16.9 MF;
- The credits to the economy followed the same trend as the deposit, increasing from 29.9% to 90,262.1 MF, against an increase of only 11.1% in 2007;
- The sundry reallocations which mainly represent the bank holdings, the liquid assets, and the investments in Treasury Bonds stood at 85,150.9 MF, an increase of 53.4% against 26.1% in 2007.



DEBTS TO CUSTOMERS

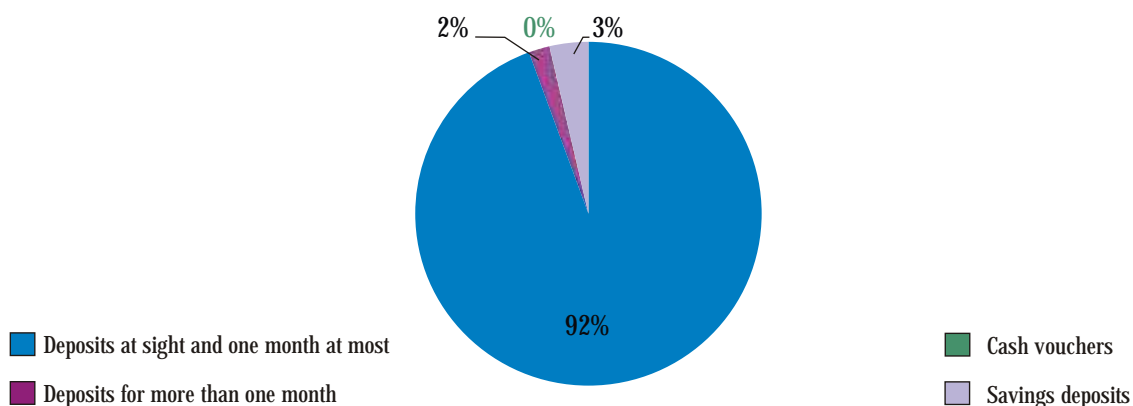
BIF million	31.12.2008	Variation %	31.12.2007	Variation %
TOTAL CUSTOMER'DEPOSITS	148,084.1	+37.3	105,310.9	+15.1
Deposits at sight and one month at most	140,091.2	+42.2	98,503.5	+15.4
Deposits for more than one month	2,595.8	-0.2	2,601.1	-4.8
Cash vouchers	236.0	-77.0	716.0	-17.3
Savings deposits	5,161.1	+47.9	3,490.3	+35.8

The customers' resources underwent a significant evolution, amounting to 148,084.1 MF, against 105,310.9 MF only twelve months earlier, that is, a 37.3% variation.

The evolution of the customers' resources is characterized by the net increase of the savings deposits (+47.9%) and by one month or more sight deposits (+42.2%); the latter's share in the total resources improved by about two per cent, standing at 94.6% against 93.5% on December 31, 2007.

The customers' deposits share in the overall balance sheet also improved, henceforth standing at 78.9% against 77.1% a year earlier.

2008 DEBTS TO CLIENTS



CREDITS TO THE ECONOMY

Bif million	31.12.2008	Variation %	31.12.2007	Variation %
TOTAL CREDITS	90,262.1	+29.9	69,487.7	+11.1
Exports credits	2,163.3	+43.5	1,507.2	-37.8
Coffee credits	7,250.7	+322.3	1,716.8	-79.9
Degressive overdrafts	8,808.1	+15.1	7,649.2	+57.1
Accounts Debtors	58,413.6	+16.6	50,086.8	+21.5
Other loans	13,626.4	+59.8	8,527.1	+55.3

Without waiting for the customers' resources increase level, the credits to the economy underwent a sustained growth, up to 90,262.1 MF against 69,487.7 MF one year earlier, an increase of 29.9%.

Although it is the coffee credits and the exports credits and those which are strongly linked to them which recorded the highest growth rates, respectively 322.3% and 43.5%, the rise in rates of the credits was related to all the components, thus translating the maintenance of a positive trend of the overall economic activity. Thus, the cash advances increased by 16.0% while the capital credits and working capital increased by 59.8%.

Reflecting the diversification of the growth resources initiated by the Bank, the credits to the economy saw the share in the overall balance sheet reduced by 3 points, standing at 48.1% against 50.9% at the end of December 2007.

2. PROFIT AND LOSS ACCOUNT

In millions Bif	31.12.2008	Variation %	31.12.2007	Variation %
+Interests received	12,690.3	+26.2	10,059.0	+23.1
- Interests paid	5,205.6	+9.6	4,749.0	+19.2
=INTERESTS MARGIN	7,484.7	+40.9	5,310.0	+29.9
+Commissions & Other revenues	9,388.3	+12.5	8,341.8	+32.5
=BANK NET PROFIT	16,873.0	+23.6	13,651.8	+30.3
-Staff salaries	2,786.9	+24.3	2,241.1	+18.4
-Other operating costs	3,820.9	+23.6	3,091.6	+40.1
-Depreciation	842.2	-1.4	854.3	+20.9
=GROSS OPERATING PROFIT	9,423.0	+26.2	7,464.8	+31.6
- Prudential provisions	1,706.0	-35.5	2,646.5	+4.9
+Reversals	769.9	+218.0	242.1	-67.6
=PROFIT BEFORE TAX	8,486.9	+67.7	5,060.4	+29.7
-Taxes	3,348.7	+86.5	1,795.8	+4.5
=NET PROFIT	5,138.2	+57.4	3,264.6	+49.6



The Bank Net Product (BNP)

The Interbank Burundi BNP is 16,873.0 MF against 13,651.8 MF twelve months earlier, that is, a net increase of 23.6%.

This evolution is largely due to the continuous increase of the customers' intermediation margin following the inversion of the upwards trend of the financial expenses and the increase of the volume of credits granting.

It is also due, to a lesser extent, to the continuously sustained increase of the currency operations, thanks particularly to the importance of the foreign currency resources which gave substantial exchange profits.

The net bank profit is therefore distributed as follows:

- The interests margin improves its share of the GDP at 44.4%, against 38.9% at the end of December 2007, and is 7,484.7 MF, an increase of 40.9% ; this increase is due to the bringing down of the financial expenses (+ 9.6% against 19.2% in 2007, and +34.3% in 2006) and the acceleration of the received interests (+26.2% instead of +23.1% in 2007), an evolution which translates into the success of the active management policy of the deposits and the impacts of our presence on the Treasury Bonds market.
- The customers' net profits and sundry revenues: a consequence of the increase of the business, of a henceforth significant new agencies contribution, of the improvement of the customers' equipment with bank products and services, the service charges highly increased by 12.5% in 2008.

Operating Expenses

In 2008, the overhead costs slowed down their increase, up only by 20.4%, and standing at 7,450.0 MF against 6,187.0 MF one year earlier (+28.7%) and 4,806.6 MF in 2006.

This evolution is the result of the operating expenses monitoring programs initiated within the FUMAP entity. It is all the more appreciable that it happens in a strongly inflationary environment.

The operating ratio (relationship between the operating expenses and the bank net profit) improved by one point at 44.1% against 45.3% one year earlier, that is an improvement by 1.2 points.

Provisions for Risks

After the remarkable efforts made from the 2005 to 2007 fiscal years, the provisioning rate decreased in 2008 while the provisions for bad debts amounted only to 1,706.0 MF, a decline by 35.5%.

The Net Profit

The net profit for the fiscal year is 5,138.2 MF, after tax provisioning for 3,348.7 MF.

PROFITS ALLOCATION

Ladies and Gentlemen Shareholders,

In conformity with article 52 of the Bank Memorandum and Articles of Association, the Annual General Assembly Meeting is invited to take a decision on the profit allocation project for the financial year.

The net profit amounts to 5,138,510,695 BIF taking into account the profit carried forward of 262,330 BIF.

We propose the following appropriation:

Nous vous en proposons l'affectation suivante :

Reserves requirements	BIF	633,912,000
Available Reserves	BIF	2,938,500,000
Dividends	BIF	1,281,176,471
Directors Percentage	BIF	128,117,647
General/Risks Provisions	BIF	156,500,000
Carried Forward	BIF	304,577
TOTAL	BIF	5,138,510,695

ADMINISTRATION

In conformity with Article 18 of the Bank Memorandum and Articles of Association, the term of office of the following directors:

- Reverend Gabriel BAZIRUWISABIYE
- Mr. Arturo COSTA
- Mr. Georges COUCOULIS
- Mr. Callixte MUTABAZI
- Mr. Bonaventure NICIMPAYE
- Mrs. Marguerite RUMBETE
- SALEX CORPORATION

expires at the end of the present General Assembly Meeting.

These directors are re-eligible and they would like to stand in for reelection.

If you approve their application, their term of office will expire at the end of the 2010 Annual General Assembly Meeting dealing with the 2009 financial statements.

In addition, taking into account the present size of the Bank, we suggest enlarging the Board of Directors by a new Board Director having a proven banking experience, Mr. Reginald Thibaut de Maisières, a former senior staff of the Belgolaise, first, and Fortis Bank, next.

If you approve his application, his term of office would also expire at the end of the 2010 Annual General Assembly Meeting dealing with the 2009 financial statements.

To conclude this report, we would once again like to congratulate and thank the Management Committee and all its collaborators for the sizeable work accomplished in a somewhat difficult environment although in constant improvement and for their unwavering and renewed commitment for the development of Interbank Burundi.

The Board of Directors.

Auditors' report for the 2008 fiscal year

In accordance with the provisions of the decree-law n° 1/017 dated October 23rd, 2003, on the Banks and Financial Institutions regulations, we have the honor of presenting to you the report on the implementation of our supervision mandate as auditors for the fiscal year 2008.

Our control was carried out in conformity with the recognized international financial audit standards and included the control of the documents and other accounting books.

We carried out up to December 31, 2008, audit tests and reconciliation tests, and did the usual inventory control. Our findings are in conformity with the figures of the Accountancy.

According to the general norms of the audit, we checked the Assets and Liabilities accounts, the profit and loss accounts for the year ended on December 31, 2008. These accounts are in conformity with the balance of the trial balance. We assure the General Assembly that the assets effectively exceeds the minimum own equity provided for by article 26, by the liabilities of the Bank towards third parties.

In conclusion to our works and in conformity with the decree-law n° 1/017 dated October 23rd, 2003, we can certify that the annual INTERBANK accounts for the fiscal year 2007 show **a total balance sheet of 187,629,999,674 Bif (One hundred eighty-seven billions six hundred and twenty nine millions nine hundred and ninety-nine thousands six hundred and seventy four francs) and a net profit of 5,138,248,365 Bif (Five billions one hundred and thirty eight millions two hundred and forty eight thousands three hundred and sixty five francs)** and that the Balance Sheet, the Profit and Loss Accounts presented to you for approval correctly reflect the financial situation of the IBB on December 31, 2008.

Bujumbura, January 19, 2009

The Auditors

DEM CONSULT

Léon MWEBEYA

Déo BANDEREMBAKO

Resolutions of the March 06, 2009 Ordinary General Meeting

Resolutions of the march 6, 2009, Ordinary General Assemblee

First resolution:

The Annual General Assembly Meeting, after listening to the reports of the Board of Directors and the Auditors for the fiscal year 2008, approves these reports.

Second resolution:

The Annual General Assembly Meeting approves the balance sheet and the loss and profit accounts of the INTERBANK BURUNDI, S.A. for the financial year ending on December 31, 2008.

Third resolution:

The Annual General Assembly Meeting approves the allocation of the profit balance as submitted to it:

* Reserve Requirements	633,912,000
* Available Reserves	2,938,500,000
* General Risks Provisions	156,500,000
* Dividends	1,281,176,471
* Directors' Percentage	128,117,647
* Carried Forward	304,577

Fourth resolution:

The Annual General Meeting discharges the members of the Board of Directors of their management for the financial year 2008.



Fourth resolution:

The Annual General Meeting discharges the members of the Board of Directors of their management for the financial year 2008.

Fifth resolution:

In accordance with article 18 of the Bank constitution, the Annual General Meeting appoints the Directors as follows:

- Mrs. Marguerite RUMBETE
- Mr. Georges COUCOULIS
- Reverend Gabriel BAZIRUWISABIYE
- Mr. Costa ARTURO
- Mr. Bonaventure NICIMPAYE
- Mr. Reginald THIBAUT de MAISIÈRES
- Mr. Callixte MUTABAZI and
- SALEX CORPORATION

for a term of one year ending during the 2010 Annual General Meeting to the effect of approving the balance sheet for the 2009 financial year. The Board membership of Mr. Thibaut de Maisières will only come into force after the approval of the Bank of the Republic of Burundi.

Resolutions of the march 6th 2009 Extraordinary General Assembly

Sole Resolution:

The Extraordinary General Assembly Meeting modifies article 5 of the Bank's Memorandum and Articles of Association which reads as follows: «The share capital of the Bank is fixed at 10,299,120,000 Burundi francs (Ten Billions Two Hundred and Ninety Nine millions One Hundred and Twenty Thousands Burundi Francs) divided into 3,301 (Three Thousands Three Hundred and One) shares of a share value of 3,120,000 (Three Millions One Hundred and Twenty Thousands) BIF each.



Distribution Network

Head Office : Downtown

Quartier Asiatique

Avenue NTAHANGWA
Tél. : (257) 22 22 06 29
Fax : (257) 22 21 00 35
E-mail : asiatique@interbankbdi.com

Buyenzi Counter

20^{me} Avenue n°1
Tél. : (257) 22 22 06 29
Fax : (257) 22 21 00 33
E-mail : buyenzi@interbankbdi.com

BRARUDI Counter

Boulevard du 1^{er} Novembre
Tél. : (257) 22 21 09 41

Building Administratif Counter

Tél. : (257) 22 22 06 29

Meridien Source du Nil Counter

Avenue Nicolas Mayugi
Tel (257) 22 25 03 57

Buyenzi City Market Counter

Avenue de l'OUA
Tél. : (257) 22 25 95 41
Fax : (257) 22 25 95 13

Place de l'Indépendance

Avenue du Commerce
Tél. : (257) 22 22 06 29
Fax : (257) 22 24 29 49
E-mail : api@interbankbdi.com

Bujumbura Central Market

Avenue de la Croix-Rouge
Tél. : (257) 22 24 12 75 / 22 22 06 29
Fax : (257) 22 24 17 76
E-mail : amc@interbankbdi.com

Jabe Counter

Avenue de la Jeunesse
Tél. : (257) 22 22 06 29
Fax : (257) 22 24 48 07
E-mail : jabe@interbankbdi.com

Uprona Bld Counter

Boulevard de l'Uprona
Tél : (257) 22 22 09 75
Fax : (257) 22 25 10 91
E-mail : etranger@interbankbdi.com

Bujumbura Port Counter

Avenue de la Tanzanie
Tél. : (257) 22 22 06 29
Fax : (257) 22 24 43 57
E-mail : port@interbankbdi.com

15, Avenue de l'Industrie

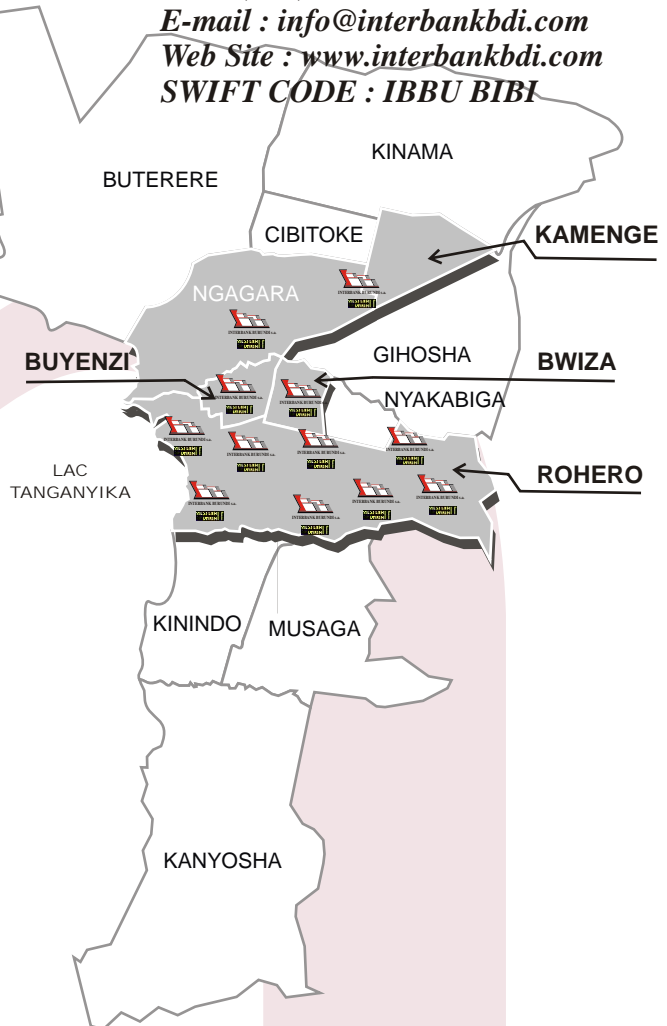
Tel. : (257) 22 22 06 29

Fax : (257) 22 22 04 61

E-mail : info@interbankbdi.com

Web Site : www.interbankbdi.com

SWIFT CODE : IBBU BIBI



Bujumbura International Airport Counter

Tél. : (257) 22 24 43 58

Novotel Counter

Boulevard du Peuple Murundi
Tél. : (257) 22 24 43 55

BINUB Head Office Counter

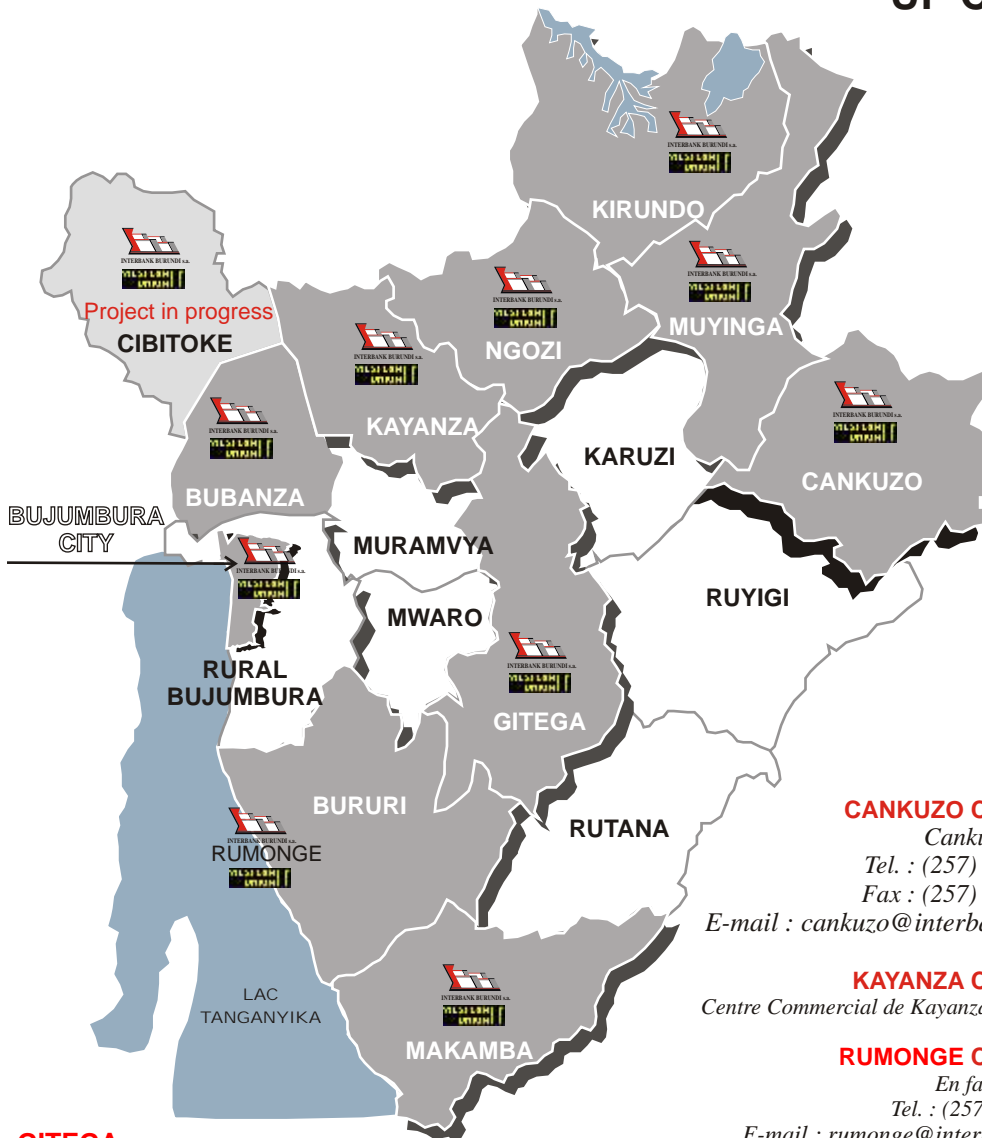
Chaussée d'Uvira
BINUB Headquarters
Tél. : (257) 22 20 52 38

Kamenge Counter

Tél. : (257) 22 23 97 66

BRANCHES & COUNTERS

UP COUNTRY



GITEGA :

* GITEGA BRANCH :

Gitega (Centre)
Tel.: (257) 22 40 32 66
Fax : (257) 22 40 32 68
E-mail : gitega@interbankbdi.com

* BRARUDI GITEGA COUNTER

KIRUNDO BRANCH :

Kirundo (Centre)
Tel. : (257) 22 30 46 33
E-mail : kirundo@interbankbdi.com

BUBANZA COUNTER :

Tel. : (257) 22 26 13 46
Fax : (257) 22 26 13 45

CANKUZO COUNTER :

Cankuzo (Centre)
Tel. : (257) 22 40 70 98
Fax : (257) 22 40 70 98
E-mail : cankuzo@interbankbdi.com

KAYANZA COUNTER :

Centre Commercial de Kayanza, sur la RN 1

RUMONGE COUNTER :

En face du marché
Tel. : (257) 22 50 40 12
E-mail : rumonge@interbankbdi.com

MAKAMBA COUNTER :

En face du marché
Tel. : (257) 22 50 40 12
E-mail : makamba@interbankbdi.com

MUYINGA BRANCH :

Muyinga (Centre)
Tel. : (257) 22 30 67 63
Fax : (257) 22 30 67 68
E-mail : muyinga@interbankbdi.com

NGOZI BRANCH :

Ngozi (Centre)
Tel. : (257) 22 30 23 24
Fax : (257) 22 30 23 34
E-mail : ngozi@interbankbdi.com

Foreign Correspondents' Network



FORTIS BANK

MONTAGNE DU PARC,
3- 1000 BRUXELLES
Web Site : <http://www.fortis.be>
IBAN BE 59 291114520826
SWIFT CODE : GEBABEBB

CITIBANK N.A / PARIS

CITICENTER CEDEX 36
92073 PARIS LA DEFENSE
Web Site : <http://www.citibank.com>
SWIFT CODE : CITIFR PP

ING BELGIUM

24, AVENUE MARNIX
B 1050 BRUXELLES
Web Site : <http://www.bbl.be>

COMMERZBANK AG

Kaiserplatz, Frankfurt am Main
60261
Frankfurt am Main
Site Web : <http://www.commerzbank.com>
SWIFT CODE : COBADEEFF

KREDIETBANK / BRUXELLES

2-1080 BRUXELLES
Web Site : <http://www.kbc.be>
IBAN BE 04 3010102188-31
SWIFT CODE : KREDBEBB

CITIBANK N.A. / NEW YORK

111 WALL STREET
NEW YORK 10043
Web Site : <http://www.citibank.com>
SWIFT CODE : CITI US33

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Web Site : <http://www.kcb.co.ke>
SWIFT CODE : KCBLKENX

