

**Egyptian Mortgage Refinance Company S.A.E**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM 5 JUNE 2006 TO 31 DECEMBER 2007**

**TOGETHER WITH AUDITORS' REPORT**

**AUDITORS' REPORT****TO THE SHAREHOLDERS OF EGYPTIAN MORTGAGE REFINANCE COMPANY S.A.E**

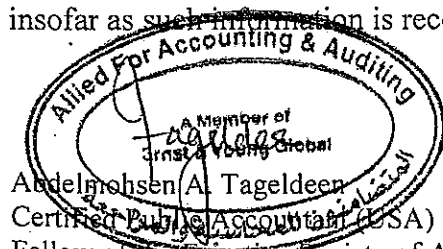
We have audited the accompanying financial statements of **Egyptian Mortgage Refinance Company S.A.E** represented in the Balance Sheet as of 31 December 2007, and the related statements of income, changes in shareholders' equity and cash flows for the period from 5 June 2006 to 31 December 2007. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Egyptian Standards on Auditing and applicable Egyptian laws. The Egyptian Standards on Auditing require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We obtained all information and disclosures, which we considered necessary for the purpose of our audit. We believe that our audit provides a reasonable basis for our opinion on the financial statements.

In our opinion, the financial statements referred to above and the related notes from (1) to (21), present fairly, in all material respects, the financial position of **Egyptian Mortgage Refinance Company S.A.E** as of 31 December 2007, and the results of its operations and its cash flows for the period from 5 June 2006 to 31 December 2007 in conformity with the Egyptian Accounting Standards and the related applicable laws and regulations.

The company maintains proper accounting records that comply with the laws and the Company's articles of association and the financial statements agree with the company's records

The financial information included in the board of directors report prepared in accordance with law 159 of 1981 and its executive regulations, is in agreement with the Company's records insofar as such information is recorded therein.



Abdelghosen A. Tageldeen  
 Certified Public Accountant (CPA)  
 Fellow of the Egyptian Society of Accountants and Auditors  
 R.A.A. 15058

10 March 2008  
 Cairo


*M. A. Zarrouk*  
 Mohamed A. Zarrouk  
 محاسبو  
 Certified Public Accountant  
 ق.ح.م.  
 Fellow of the Egyptian Society of Accountants and Auditors  
 ضرائب  
 R.A.A. 1698




Egyptian Mortgage Refinance Company S.A.E

BALANCE SHEET  
At 31 December 2007

	Note	31 December 2007 LE
<b>Long term assets</b>		
Fixed Assets, net	(3)	2,170,127
Work in progress	(4)	112,665
Deferred tax asset	(18)	373,630
<b>Total long term assets</b>		<u>2,656,422</u>
<b>Current assets</b>		
Investments in Treasury bills	(5)	199,382,634
Prepayments and other debit balances	(6)	1,160,293
Cash on hand and at banks	(7)	52,160,585
<b>Total current assets</b>		<u>252,703,512</u>
<b>Current liabilities</b>		
Accounts payable		453,208
Accrued expenses and other credit balances	(8)	429,737
<b>Total current liabilities</b>		<u>882,945</u>
<b>Working capital</b>		<u>251,820,567</u>
<b>Total investment</b>		<u>254,476,989</u>
<b>Financed as follows:</b>		
<b>Shareholders' equity</b>		
Paid up capital		235,980,000
Legal reserve		1,019,278
Net profit for the period		16,942,211
<b>Total shareholders' equity</b>		<u>253,941,489</u>
<b>Long Term liabilities</b>		
Term loan	(14)	535,500
		<u>535,500</u>
<b>Total finance of working capital and long term assets</b>		<u>254,476,989</u>

  
 \_\_\_\_\_  
 Chairman

  
 \_\_\_\_\_  
 Managing Director

-The accompanying notes from (1) to (21) are an integral part of these financial statements.  
- Auditors' report attached

Egyptian Mortgage Refinance Company S.A.E

STATEMENT OF INCOME

For The period from 5 June 2006 to 31 December 2007

	Note	For The period from 5 June 2006 to 31 December 2007  LE
<b>Revenue:</b>		
Interest income on time deposits and current account		5,747,850
Interest income on treasury bills		15,077,395
Interest income on CBE Certificate of Deposits		3,353,638
Other Income		4,007
<b>TOTAL INCOME FOR THE PERIOD</b>		<b>24,182,890</b>
General and administrative expenses	(12)	(5,905,289)
Depreciation		(110,661)
Financing charges	(11)	(1,293,359)
Board members allowance		(305,000)
<b>NET PROFIT FOR THE PERIOD BEFORE TAX</b>		<b>16,568,581</b>
Income tax for the period		-
Deferred Tax for the period	(18)	373,630
<b>NET PROFIT FOR THE PERIOD</b>		<b>16,942,211</b>
<b>EARNING PER SHARE</b>	(13)	<b>74.49</b>

- The accompanying notes from (1) to (21) are an integral part of these financial statements.

Egyptian Mortgage Refinance Company S.A.E

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For The period from 5 June 2006 to 31 December 2007

	<i>Paid up capital</i>	<i>Premium on Increase in Capital</i>	<i>Legal reserve</i>	<i>Net profit for the period</i>	<i>Total</i>
	<i>LE</i>	<i>LE</i>	<i>LE</i>	<i>LE</i>	<i>LE</i>
Balance as of 5 June 2006	-	-	-	-	-
Paid up capital	235,980,000	-	-	-	235,980,000
Premium on increase in capital	-	1,019,278	-	-	1,019,278
Transfer to Legal reserve (note 10)	-	(1,019,278)	1,019,278	-	-
Net Profit for the period	-	-	-	16,942,211	16,942,211
<b>Balances as of 31 December 2007</b>	<b>235,980,000</b>	<b>-</b>	<b>1,019,278</b>	<b>16,942,211</b>	<b>253,941,489</b>

- The accompanying notes from (1) to (21) are an integral part of these financial statements.

Egyptian Mortgage Refinance Company S.A.E

STATEMENT OF CASH FLOWS

For The period from 5 June 2006 to 31 December 2007

	Note	For The period from 5 June 2006 to 31 December 2007
		LE
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit for the period before tax		16,568,581
Adjustments to reconcile net income to cash flows from operating activities		
Depreciation		110,661
		<u>16,679,242</u>
Operating profit before changes in working capital		16,679,242
(Increase) in Prepayments and other debit balance		(1,160,293)
Increase in accounts payable		453,208
Increase in accrued expenses and other credit balances		429,737
		<u>16,401,894</u>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment in Treasury bills maturing after 90 days		(14,586,103)
Purchase of fixed assets		(2,280,788)
Work in progress		(112,665)
		<u>(16,979,556)</u>
<b>NET CASH FLOWS (USED IN) INVESTING ACTIVITIES</b>		
<b>FINANCING ACTIVITIES</b>		
Paid up capital		235,980,000
Premium paid on increase in capital		1,019,278
Term loan		535,500
		<u>237,534,778</u>
<b>NET CASH PROVIDED FROM FINANCING ACTIVITIES</b>		
		<u>236,957,116</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD</b>		<u>236,957,116</u>
<b>CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD</b>		<u>236,957,116</u>
Cash and cash equivalent at the end of the period is represented as follows :		
Cash on hand and at banks	(7)	52,160,585
Treasury bills maturing within 90 days	(5)	184,796,531
		<u>236,957,116</u>

- The accompanying notes from (1) to (21) are an integral part of these financial statements.

# Egyptian Mortgage Refinance Company S.A.E

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2007

### 1 ACTIVITIES

Egyptian Mortgage Refinance Company S.A.E. was established in Egypt under the provisions of companies law No. 159 of 1981 and its executive regulations, capital market law No. 95 of 1992 and its executive regulations and the provisions of Real Estate Finance law No. 148 of 2001 and its executive regulations. The company was registered under the commercial registry No. 19101 on 5 June 2006.

The main objective of the company is Real Estate finance activity through refinancing its shareholders including banks in accordance with prescribed regulations. The company activity is only limited to dealing with its shareholders. The company may, for the purpose of achieving its objectives, issue bonds collateralized by its assets. The company may also participate with other companies of common interest that have similar activities and may merge or acquire them.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### Basis of preparation:

The company's financial statements have been prepared in accordance with Egyptian Accounting Standards.

The financial statements have been presented in Egyptian Pounds.

Below is a summary of the company's significant accounting policies.

#### Foreign currency Translation

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

#### Fixed Assets

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight line basis over the estimated useful lives of the assets as follows:

	<u>Years</u>
Computers and software	3-5
Furniture and fixtures	5
Motor Vehicles	5
Office machines	5
Leasehold Improvements	The lease term

#### Work in progress

Costs relating to construction of fixed assets are initially recorded in this account. When the asset is completed and becomes ready for use, it is transferred to fixed assets caption.

# Egyptian Mortgage Refinance Company S.A.E

---

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2007

### **Treasury Bills and CBE CD's**

Treasury bills and CD's are stated at cost. The difference between cost and nominal value represents the interest on these bills and CD's. Treasury bills and CD's are shown in the balance sheet net of unearned interest. Interest is credited to income on an accruals basis, and the unearned interest is reduced by earned interest.

### **Revenues Recognition**

Interest revenue is recognised as the interest accrues using the effective interest method, under which the rate used exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

### **Cash and Cash Equivalent**

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash in hand, Bank balances, and short-term deposits, and treasury bills & CD's with a remaining maturity of three months.

### **Accounts payable and accruals**

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

### **Income Tax**

Taxation is provided in accordance with Egyptian Fiscal regulations.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax basis and liabilities and their carrying amounts.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on laws that have been enacted at the balance sheet date.

Deferred income tax assets are recognised for all deductible temporary differences and carry-forward of unused tax assets and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilised.

### **Legal Reserve**

According to the Companies Law and the Company's articles of association, 5% of the annual net income is to be transferred to the legal reserve until this reserve reaches, 25% of the issued capital.

### **Provisions**

Provisions are recognised when the company has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured.



Egyptian Mortgage Refinance Company S.A.E

NOTES TO THE FINANCIAL STATEMENTS  
AS OF 31 DECEMBER 2007

3 FIXED ASSETS, NET

	<i>Computers and software</i>	<i>Furniture and Fixtures</i>	<i>Motor Vehicles</i>	<i>Office machines</i>	<i>Leasehold Improvement</i>	<i>Total</i>
	<i>LE</i>	<i>LE</i>		<i>LE</i>		<i>LE</i>
<b>Cost</b>						
As of 5 June 2006	-	-	-	-	-	-
Transfer from work in progress	-	-	-	63,175	410,098	473,273
Addition during the period	120,172	866,544	119,900	216,571	484,328	1,807,515
As of 31 December 2007	<u>120,172</u>	<u>866,544</u>	<u>119,900</u>	<u>279,746</u>	<u>894,426</u>	<u>2,280,788</u>
<b>Depreciation</b>						
As of 5 June 2006	-	-	-	-	-	-
Depreciation for the period	36,352	18,281	1,998	13,480	40,550	110,661
As of 31 December 2007	<u>36,352</u>	<u>18,281</u>	<u>1,998</u>	<u>13,480</u>	<u>40,550</u>	<u>110,661</u>
<b>Net Book Value as 31 December 2007</b>	<u>83,820</u>	<u>848,263</u>	<u>117,902</u>	<u>266,266</u>	<u>853,876</u>	<u>2,170,127</u>

4 WORK IN PROGRESS

				<i>2007 LE</i>
	<i>Computers and software</i>	<i>Office machines</i>	<i>Leasehold Improvement</i>	<i>Total</i>
As of 5 June 2006	-	-	-	-
Additions during the period	215,777	63,175	410,098	689,050
Transfers to fixed assets	-	(63,175)	(410,098)	(473,273)
Disposals during the period	(103,112)	-	-	(103,112)
As of 31 December 2007	<u>112,665</u>	<u>-</u>	<u>-</u>	<u>112,665</u>

Egyptian Mortgage Refinance Company S.A.E

NOTES TO THE FINANCIAL STATEMENTS  
AS OF 31 DECEMBER 2007

5 TREASURY BILLS

	2007 LE
Treasury bills purchased maturing before 30 days	140,125,000
Treasury bills purchased maturing after 30 days and before 60 days	45,500,000
Treasury bills purchased maturing after 60 days and before 90 days	-
Treasury bills purchased maturing after 90 days and before 150 days	<u>15,000,000</u>
	200,625,000
Unearned interest	<u>(1,242,366)</u>
Total	<u><u>199,382,634</u></u>

6 PREPAYMENTS AND OTHER DEBIT BALANCES

	2007 LE
Advance payments to vendors	476,420
Prepaid Expenses	473,385
Security deposit	151,072
Accrued Interest on time deposit	<u>59,416</u>
	<u><u>1,160,293</u></u>

7 CASH AND CASH EQUIVALENTS

	2007 LE
<u>Egyptian Pound</u>	
Current accounts	1,608,585
Time deposit	<u>50,552,000</u>
	<u><u>52,160,585</u></u>

Included in bank balances and cash are bank deposits of LE 50,552,000 with commercial banks in Egypt. These are denominated in Egyptian Pounds, short term in nature, with an effective interest rate of 7.15%.

Egyptian Mortgage Refinance Company S.A.E

---

NOTES TO THE FINANCIAL STATEMENTS  
AS OF 31 DECEMBER 2007

8 ACCRUED EXPENSES AND OTHER CREDIT BALANCES

	2007 <i>LE</i>
Accrued commitment fees (note 14)	158,053
Accrued loan interest	13,329
Accrued expenses	113,300
Taxes Payable –payroll	72,358
Taxes Payable–withholding	25,144
Social insurance payable	5,709
Retention payable	41,844
	<hr/>
	429,737
	<hr/> <hr/>

# Egyptian Mortgage Refinance Company S.A.E

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2007

### 9 CAPITAL

The Company's authorized capital amounts to L.E. 640,000,000 whereas the issued and paid up capital amounts to L.E. 235,980,000 divided over 235,980 shares (172,904 common shares and 63,076 preferred shares of 2 voting rights per each) of L.E. 1,000 each and is distributed as follows:

Description	No. of shares		Value L.E	%
	Common	Preferred		
Central Bank of Egypt (founder)		40,000	40,000,000	16.95%
National Bank of Egypt (founder)	20,000		20,000,000	8.48%
Mortgage Finance Guarantee and Subsidy Fund (founder)		4,000	4,000,000	1.70%
Arab Bank	5,000		5,000,000	2.12%
HSBC	18,000		18,000,000	7.63%
Societe Arabe Internationale de Banque	10,000		10,000,000	4.24%
BNP Paribas	2,000		2,000,000	0.85%
Commercial International Bank	5,000		5,000,000	2.12%
Faisal Islamic Bank	2,000		2,000,000	0.85%
Banque Misr	20,000		20,000,000	8.48%
Al-Watany Bank of Egypt	4,000		4,000,000	1.70%
Tameer Mortgage Finance Co. (Al Oula)	10,000		10,000,000	4.24%
National Societe Generale	10,000		10,000,000	4.24%
Piraeus Bank	19,000		19,000,000	8.05%
Blom Bank	2,000		2,000,000	0.85%
Egyptian Housing Finance Company	2,000		2,000,000	0.85%
Misr Iran Bank	5,000		5,000,000	2.12%
Egyptian Gulf Bank	10,000		10,000,000	4.24%
Housing and Development Bank	10,000		10,000,000	4.24%
Ahli United Bank	4,000		4,000,000	1.70%
Egypt Arab Land Bank	10,000		10,000,000	4.24%
Arab African International Bank	3,923		3,923,000	1.66%
Tamweel Mortgage Finance Company	981		981,000	0.42%
International Finance Corporation		19,076	19,076,000	8.08%
	<u>172,904</u>	<u>63,076</u>	<u>235,980,000</u>	<u>100%</u>

# Egyptian Mortgage Refinance Company S.A.E

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2007

### 10 LEGAL RESERVE

Legal reserve balance amounting to LE 1,019,278 as of 31 December 2007 is represented as follows:

- 1) The transfer of premium on increase in capital of LE 96,000 resulting from the difference between the par value and amount paid for the issuance of 4,904 new shares, in accordance with the resolution of the Extraordinary General Assembly Meeting on 11 December 2006.
- 2) The transfer of premium on increase in capital of LE 923,278 resulting from the difference between the par value and amount paid for the issuance of 19,076 new shares, in accordance with the resolution of the Extraordinary General Assembly Meeting on 13 May 2007.

### 11 FINANCING CHARGES

	2007 <i>LE</i>
Front – end fees (note 14)	535,500
Commitment fees (note 14)	519,956
Safe custody fees	100,399
Commission (T. bills and CD's)	100,399
Interest on term loan	32,132
Other charges	4,973
	<hr/>
	1,293,359
	<hr/> <hr/>

# Egyptian Mortgage Refinance Company S.A.E

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2007

### 12 GENERAL AND ADMINISTRATIVE EXPENSES

	2007 <i>LE</i>
Salaries & Wages	3,139,167
Premises Rent	1,023,331
Tax ,Legal and other consultants	574,431
Other Expenses	118,134
Travel and Transportation	140,256
Conferences and MFA Campaign Sponsorship	311,429
Professional Fees	135,000
Employees Training	79,328
Licensing & Registration	50,000
Entertainment, Meals & Public Relation	44,856
Legal Expenses	58,350
Cleaning and Security	23,143
Insurance	70,348
Rent Furniture and Repair & Maintenance	30,295
Stationary and Printing Materials	23,004
Telephone and Mobile	46,421
Internet & Subscriptions	30,192
Electricity	7,604
	<u>5,905,289</u>

### 13 EARNING PER SHARE

Earnings per share were calculated based on the weighted average method for outstanding shares during the period. Earnings per share during the period amounted to L.E. 74.49 per share.

	2007 <i>LE</i>
Net profit for the period	16,942,211
Employees profit share (subject to approval in the General Assembly Meeting)	(1,609,510)
Board of directors bonus (subject to approval in the General Assembly Meeting)	(134,330)
	<u>15,198,371</u>
Weighted average number of shares outstanding during the period	<u>204,044</u>
Earning per share	<u>74.49</u>

# Egyptian Mortgage Refinance Company S.A.E

## NOTES TO THE FINANCIAL STATEMENTS

AS OF 31 DECEMBER 2007

### 14 LOAN AGREEMENT

A loan agreement has been made between the government of the Arab Republic of Egypt (the borrower) and "International Bank for Reconstruction and development" (the lender) by which the bank agrees to lend the borrower an amount of L.E. 214,200,000 to assist in financing the project as described in note (15) to the financial statements.

A commitment charge is payable at 0.75% per annum on the unwithdrawn loan balance from the date of accruing the commitment charge up to 31 December 2007, less waiver of a portion of such charge as may be determined by the World bank. Net commitment charge, after waiver, from the date of accruing the commitment charge up to 31 December 2007 is 0.25%.

A front-end fee is payable at 0.25% of the loan amount amounted to LE 535,500 as of 31 December 2007.

The loan will be repaid on 15 March and 15 September of each year starting from 15 September 2012 up to 15 March 2026.

### 15 PROJECT AGREEMENT

The company has entered into a project agreement as "Project Implementing Entity" dated 12 November 2006 with "International Bank for Reconstruction and Development" in connection with the loan agreement described in note (14) above.

The company undertakes that a mortgage loan shall be made to each "Participating Mortgage Lender" (PML) on the terms and conditions acceptable to the bank. The company shall also exercise its rights in relation to each PML under the respective participation agreement in such a manner as to protect the interest of the bank and the company and to comply with its obligations under the project agreement.

### 16 EXPENDITURE COMMITMENTS

	2007 LE
<b>Capital expenditure commitments</b>	
Estimated capital expenditure contracted for at the balance sheet date but not provided for:	
Computers and software	<u>476,420</u>
<b>Operating lease commitments</b>	
Future minimum lease payments:	
Within one year:	
Operating lease commitment	829,076
Advance payment of operating lease	<u>(414,538)</u>
Net operating lease commitment within one year	<u>414,538</u>
After one year but not more than five years	829,076
More than five years	-
Total operating lease expenditure contracted for at the balance sheet date	<u>1,243,614</u>

# Egyptian Mortgage Refinance Company S.A.E

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2007

### 17 TAX SITUATION

- a) **Corporate tax**  
- No tax inspection has taken place from the date of inception to date.
- b) **Withholding tax**  
- The company properly calculates the tax and delivers it on time to the tax authority.
- c) **Salary tax**  
- No tax inspection has taken place from the date of inception to date, and salary tax expenses were properly calculated and charged to the income statement.
- d) **Stamp duty tax**  
- No tax inspection has taken place from the date of inception to date.

### 18 DEFERRED TAX ASSET/LIABILITY

	2007 <i>Asset</i> <i>LE</i>	2007 <i>Liability</i> <i>LE</i>
Depreciation of fixed assets	-	(62,139)
Loss carry forward	435,769	-
Total deferred tax asset (liability)	<u>435,769</u>	<u>(62,139)</u>
Net deferred tax asset (liability)	<u><u>373,630</u></u>	

### 19 RECONCILIATION OF THE EFFECTIVE INCOME TAX RATE

		2007 <i>LE</i>
Net profits before income taxes		16,568,581
Income tax at the applicable tax rate	20%	3,313,716
Depreciation of fixed assets		(62,139)
Interest income on T. bills		(3,015,479)
Interest income on CBE Certificate of Deposits		(670,728)
Board of directors allowance		61,000
Tax losses	Zero	<u><u>(373,630)</u></u>



NOTES TO THE FINANCIAL STATEMENTS  
AS OF 31 DECEMBER 2007

**20 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Company's financial instruments are represented in financial assets and financial liabilities. The financial assets include cash on hand and at banks and other debit balances. The financial liabilities include provisions, and other credit balances.

The significant accounting policies applied for the recognition and measurement of the above mentioned financial assets and liabilities and the related income and expenses are included in note (2) of these notes to the financial statements.

**Interest rate risk**

The Company monitors the maturity structure of assets and liabilities with the related interest rates.

**Foreign Currency Risk**

The foreign currency risk is the risk that the value of the financial assets and liabilities and the related cash inflows and outflows in foreign currencies will fluctuate due to changes in foreign currency exchange rates.

**Fair Value**

The carrying amounts of the financial assets and liabilities referred to in note (2) above are not materially different from their fair values.

**21 RELATED PARTIES TRANSACTIONS**

The Company consummates transactions with related parties subject to the rules, policies and regulations applied in the Company.

Transactions with related parties included in the statement of income during the period are as follows:

	<b>2007</b>
	<b>LE</b>
Interest income	9,101,488
Financing charges	205,771