



KPMG Afghanistan Limited

Bank-e-Millie Afghan

Unconsolidated Financial Statements

For the year ended 29 Hoot 1386
(19 March 2008)

BANK-E-MILLIE AFGHAN
UNCONSOLIDATED BALANCE SHEET

As at 29 Hoot 1386 (19 March 2008)

	<i>Note</i>	1386 (Afs)	1385 (Afs)
Assets			
Cash and cash equivalents	4	3,180,507,372	3,426,687,144
Loans and advances to customers	5	2,290,640,164	1,296,285,977
Long term loan to subsidiary	6	15,050,097	14,736,789
Investment securities	7	366,295,056	362,391,056
Current tax asset	8	33,747,084	20,727,121 ✓
Property and equipment	9	1,209,309,736	1,196,087,045
Intangible asset	10	475,000	-
Investment property	11	771,108,894	338,565,880
Other assets	12	25,662,513	2,258,816
Total assets		7,892,795,916	6,657,739,828
Liabilities			
Deposits from banks		14,537,080	19,546,800
Deposits from customers	13	3,157,489,425	2,463,725,088
Deferred tax liabilities	14	357,553,596	270,264,193
Other liabilities	15	131,194,168	127,669,330
Total liabilities		3,660,774,269	2,881,205,411
Equity			
Share capital	16	250,000,000	250,000,000
Retained earnings		3,046,406,046	2,594,042,016
Surplus on revaluation of property and equipment	17	914,278,001	914,278,001
Exchange translation reserve	18	21,337,600	18,214,400
Total equity		4,232,021,647	3,776,534,417
Total liabilities and equity		7,892,795,916	6,657,739,828
Commitments	19		

The annexed notes 1 to 31 form an integral part of these unconsolidated financial statements.


 (Chief Executive Officer)


 (Chief Financial Officer)

BANK-E-MILLIE AFGHAN
UNCONSOLIDATED INCOME STATEMENT
For the year ended 29 Hoot 1386 (19 March 2008)

	Note	1386 (Afs)	1385 (Afs)
Interest income	20	414,472,341	229,701,075
Interest expense	20	(35,991,935)	(23,222,325)
Net interest income		378,480,406	206,478,750
Fee and commission income	21	31,044,341	16,732,822
Fee and commission expense	21	(1,889,552)	(1,053,627)
Net fee and commission income		29,154,789	15,679,195
Business receipt tax expense		(37,120,789)	(14,706,006)
Net trading income from foreign currencies		2,290,359	1,471,040
Other operating income	22	724,366,447	42,629,267
		689,536,017	29,394,301
Operating income		1,097,171,212	251,552,246
Net impairment loss on financial assets	5	(385,589,151)	(29,793,564)
Personnel expenses	23	(101,030,156)	(128,717,795)
Depreciation	9	(33,633,984)	(29,745,959)
Other expenses	24	(38,045,288)	(35,991,975)
Profit before income tax		538,872,633	27,302,953
Income tax	25	(86,508,603)	22,011,788
Profit for the year		452,364,030	49,314,741

The annexed notes 1 to 31 form an integral part of these unconsolidated financial statements.


 (Chief Executive Officer)


 (Chief Financial Officer)

BANK-E-MILLIE AFGHAN

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 29 Hoor 1386 (19 March 2008)

	Share Capital	Retained earnings	Surplus on revaluation of property and equipment (note 17)	Exchange translation reserve	Total
			(Afs)		
Balance as at 20 March 2006	250,000,000	2,544,727,275	914,278,001	(3,264,000)	3,705,741,276
Changes in equity for the year ended 20 March 2007					
Exchange differences on translation of investment on foreign subsidiaries	-	-	-	26,848,000	26,848,000
Deferred tax attributable to exchange differences on translation of investment in foreign subsidiaries	-	-	-	(5,369,600)	(5,369,600)
Profit for the year	-	49,314,741	-	-	49,314,741
Balance as at 20 March 2007	250,000,000	2,594,042,016	914,278,001	18,214,400	3,776,534,417
Changes in equity for the year ended 19 March 2008					
Exchange differences on translation of investment on foreign subsidiaries	-	-	-	3,904,000	3,904,000
Deferred tax attributable to exchange differences on translation of investment in foreign subsidiaries	-	-	-	(780,800)	(780,800)
Profit for the year	-	452,364,030	-	-	452,364,030
Balance as at 19 March 2008	250,000,000	3,046,406,046	914,278,001	21,337,600	4,232,021,647

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(Chief Executive Officer)



(Chief Financial Officer)

BANK-E-MILLIE AFGHAN

UNCONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 29 Hoot 1386 (19 March 2008)

	Note	1386 (Afs)	1385 (Afs)
Cash flows from operating activities			
Profit before income tax		538,872,633 ✓	27,302,953
Adjustments for:			
Depreciation		33,633,984	29,745,959
Allowance for impairment losses		385,589,151 ✓	29,793,564
Change in fair value of investment property		(432,543,014) ✓	-
Provision for staff pension		13,000,000	52,697,528
Provision for employees welfare fund		2,000,000	-
Net interest income		(378,480,406)	(203,898,651)
Dividend income		(19,732,431)	(2,832,340)
		<u>142,339,917</u>	<u>(67,190,987)</u>
Change in loans and advances to subsidiary		(313,308)	(33,615)
Change in loans and advances to customers		(1,379,943,338) ✓	(951,477,657)
Change in other assets		(23,403,697) ✓	(1,222,070)
Change in deposits from banks		(5,009,720)	15,745,220
Change in deposits from customers		693,764,337	349,320,040
Change in other liabilities		<u>12,448,949</u>	<u>89,740,274</u>
		<u>(560,116,860)</u>	<u>(565,118,795)</u>
Interest received		368,237,310	227,120,976
Interest paid		(35,991,935)	(23,222,325)
Staff pension paid		(21,864,911)	(18,119,671)
Employees welfare fund paid		(2,059,200)	(566,384)
Income tax paid		<u>(13,019,963)</u>	<u>(20,567,410)</u>
Net cash used in operating activities		<u>(264,815,559)</u>	<u>(400,473,609)</u>
Cash flows from investing activities			
Purchase of property and equipment		(46,856,675) ✓	(70,212,062)
Acquisition of intangible asset		(475,000) ✓	-
Acquisition/ (disposal) of other placements		(393,624,291)	107,541,708
Dividend received		19,732,431	2,832,340
Net cash (used in)/ from investing activities		<u>(421,223,535)</u>	<u>40,161,986</u>
Net decrease in cash and cash equivalents		(686,039,094)	(360,311,623)
Cash and cash equivalents at the beginning of the year		2,864,529,884	3,224,841,507
Cash and cash equivalents at 19 March 2008	26	<u>2,178,490,790</u>	<u>2,864,529,884</u>

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(Chief Executive Officer)


(Chief Financial Officer)