

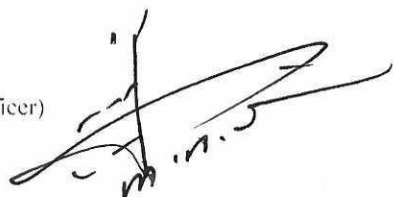
BANKE MILLIE AFGHAN
BALANCE SHEET
AS AT 20 MARCH 2006

ASSETS	Note	(Un-audited)	
		2006 (AFN)	Re-stated 2005 (AFN)
Cash and balances with Da Afghanistan Bank	4	931,717,811	891,623,735 ✓
Due from other banks and financial institution	5	2,975,193,546	2,789,474,957 ✓
Loans and advances	6	387,796,409	227,211,213 ✓
Investment securities	7	335,509,441	348,541,441 ✓
Property, plant and equipment	8	1,154,527,441	1,166,600,467
Investment property	9	210,805,375	240,664,659
Other assets	10	135,511,054	4,317,771
Total assets		6,131,061,077	5,668,434,243
LIABILITIES			
Due to other banks		3,801,580	82,995,610
Due to customers	11	2,027,133,884	1,479,447,858
Provisions and other liabilities	12	104,355,900	189,871,943
Staff pension payable	13	184,987	45,662
Deferred tax liabilities	14	246,026,810	229,677,573
Employees welfare fund	15	2,070,627	2,524,318
Total liabilities		2,383,573,788	1,984,562,964
EQUITY			
Capital and reserves attributable to bank's equity holders			
Share capital	16	250,000,000	8,000,000
Retained earnings		2,586,473,288	2,754,431,678
Surplus on revaluation of property, plant and equipment	17	914,278,001	914,278,001
Exchange translation reserve		(3,264,000)	7,161,600
		3,747,487,289	3,683,871,279
Total equity and liabilities		6,131,061,077	5,668,434,243


16/04/06

The annexed notes 1 to 34 form an integral part of these financial statements.

(Chief Executive Officer)



(Chief Financial Officer)



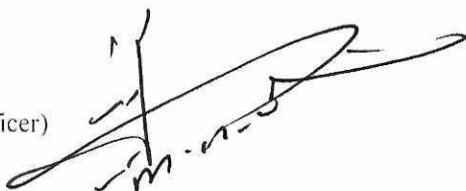
BANKE MILLIE AFGHAN
INCOME STATEMENT
FOR THE YEAR ENDED 20 MARCH 2006

	Note	2006 (AFN)	(Un-audited) Re-stated 2005 (AFN)
Interest income	18	125,783,532	55,671,284 ✓
Interest expense	18	(12,054,420)	(11,900,386) ✓
Net interest income		113,729,112	43,770,898 ✓
Dividend income		35,704,127	5,329,913
Fee and commission income	19	12,879,119	8,490,007 ✓
Fee and commission expense	19	(274,235)	(191,451) ✓
Net fee and commission income		12,604,884	8,298,556 ✓
Income from dealings in foreign currencies		139,642,909	(1,069,332,114) ✓
Other income	20	45,610,417	137,512,561 ✓
Allowance for impairment losses	21	(108,423,783)	(36,207,325) ✓
General administrative expenses	22	(130,447,354)	(400,779,638) ✓
Business receipt tax		(10,406,808)	(5,025,791)
Profit /(loss) before income tax		98,013,503	(1,316,432,940)
Taxation	23	(23,971,892)	(3,204,252) ✓
Profit /(loss) for the year		74,041,611	(1,319,637,192)

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The annexed notes 1 to 34 form an integral part of these financial statements.

(Chief Executive Officer)



(Chief Financial Officer)



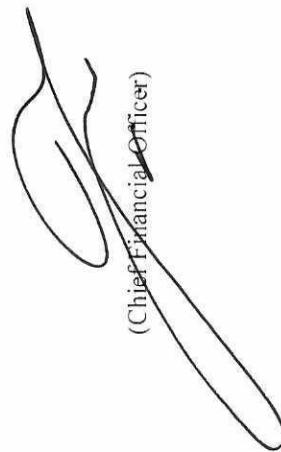
BANKE MILLIE AFGHAN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 20 MARCH 2006

	Share Capital	Retained earnings	Surplus on revaluation of property, plant and equipment	Exchange translation reserve	Other reserves	Total
			(AFN)			
	(Un-audited)					
Balance as at 21 March 2004 as reported previously	8,000,000	10,457,517	811,286,960	-	4,037,891,804	4,867,636,281
Correction of errors (Note 34.1)	-	4,063,611,353	102,991,041	-	(4,037,891,804)	128,710,590
Balance as at 21 March 2004 re-stated	8,000,000	4,074,068,870	914,278,001	-	-	4,996,346,871
Exchange differences on translation of investment on foreign subsidiaries	-	-	-	8,952,000	-	8,952,000
Deferred tax attributable to exchange differences on translation of investment on foreign subsidiaries	-	-	-	(1,790,400)	-	(1,790,400)
(Loss) for the year re-stated	-	(1,319,637,192)	-	-	-	(1,319,637,192)
Balance as at 20 March 2005 (restated)	8,000,000	2,754,431,678	914,278,001	7,161,600	-	3,683,871,279
Exchange differences on translation of investment on foreign subsidiaries	-	-	-	(13,032,000)	-	(13,032,000)
Deferred tax attributable to exchange differences on translation of investment on foreign subsidiaries	-	-	-	2,606,400	-	2,606,400
Issuance of bonus shares	242,000,000	(242,000,000)	-	-	-	-
Profit for the year	-	74,041,610	-	-	-	74,041,610
Balance as at 20 March 2006	250,000,000	2,586,473,288	914,278,001	(3,264,000)	-	3,747,487,289

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The annexed notes 1 to 34 form an integral part of these financial statements.


 (Chief Executive Officer)


 (Chief Financial Officer)

BANKE MILLIE AFGHAN
CASH FLOW STATEMENT
FOR THE YEAR ENDED 20 MARCH 2006

	2006
	(AFN)
Cash flows from operating activities	
Interest receipts	113,942,495
Interest payments	445,580
Fee and commission receipts	12,879,119
Fee and commission payments	(274,235)
Other income	45,610,417
General administrative expenses paid	(82,395,818)
Income tax paid	(12,966,639)
	<u>77,240,918</u>
Changes in operating assets and liabilities	
Net increase in due from other banks and financial institution	(2,261,845,410)
Net increase in loans and advances	(269,920,692)
Net decrease in other assets	(125,882,377)
Net decrease in due to other banks	(79,955,747)
Net increase in amounts due to customers	491,010,704
Net Decrease in provisions and other liabilities	(91,817,209)
Net increase in staff pension payable	139,325
Net cash used in operating activities	<u><u>(2,261,030,488)</u></u>
Cash flows from investing activities	
Dividend receipts	35,704,127
Purchase of property, plant and equipment	(6,572,917)
Net cash used in investing activities	<u><u>29,131,210</u></u>
Net decrease in cash and cash equivalents	(2,231,899,278)
Effect of foreign currency exchange gain /(loss) on cash and cash equivalents	152,248,839
Cash and cash equivalents at beginning of the year	<u>3,681,067,219</u>
Cash and cash equivalents at end of the year	<u><u>1,601,416,779</u></u>

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The annexed notes 1 to 34 form an integral part of these financial statements.

(Chief Executive Officer)



(Chief Financial Officer)

