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# Independent Auditors' Report on Review of Condensed Interim Financial Statements to the Shareholders of Pashtany Bank

**Grant Thornton Afghanistan**

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We have reviewed the accompanying condensed interim statement of financial position of **Pashtany Bank** ("the Bank"), as of June 21, 2018, and the related condensed interim statements of comprehensive income, statement of changes in equity and statement of cash flows for the half year then ended, and the notes to the condensed interim financial statements and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with relevant International Financial Reporting Framework (IFRSs), the requirements of the Law of Banking in Afghanistan and directives issued by Da Afghanistan Bank (DAB). Our responsibility is to express a conclusion on these interim financial statements based on our review.

## **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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### **Basis of Qualified Conclusion**

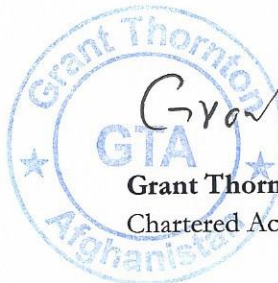
Impairment testing for "Investment in equity instruments" amounting to AFN 122.1 million, as disclosed in note 7 of the financial statements, was not carried out as per the requirements of IAS 39. Therefore, consequential adjustments, if any, on the financial statements remains unascertained.

### **Conclusion**

Based on our review, with the exception of the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view of the financial position of the bank as at June 21, 2018, and of its financial performance and its cash flows for the half year then ended in accordance with International Financial Reporting Framework (IFRSs) and the requirements of the Law of Banking in Afghanistan.

**Kabul**

Date: August 05, 2018



*Grant Thornton Af*

**Grant Thornton Afghanistan**  
Chartered Accountants

**PASHTANY BANK**  
**STATEMENT OF CONDENSED INTERIM FINANCIAL POSITION**  
**AS AT 31 Jawza, 1397 (21 JUNE 2018)**

		<b>Un-audited</b>	<b>Audited</b>
		<b>June 21, 2018</b>	<b>December 21, 2017</b>
	Note	----- (AFN) -----	
<b>Assets</b>			
Cash and bank balances	5	16,760,701,999	18,503,549,962
Investments	6	122,107,512	121,585,012
Property and equipment	7	821,529,087	826,621,686
Investment properties		962,183,000	962,183,000
Non-current asset held for sale		332,847,000	323,128,500
Deferred tax assets		124,397,758	124,397,758
Other assets	8	510,823,299	436,793,672
<b>Total assets</b>		<b>19,634,589,655</b>	<b>21,409,389,390</b>
<b>Liabilities</b>			
Deposits from banks	9	8,595,478	8,384,659
Deposits from Customers	10	17,082,513,707	18,822,135,472
Deferred income - Non current assets held for sale		332,847,000	323,128,500
Other liabilities	11	155,215,576	206,129,424
<b>Total liabilities</b>		<b>17,579,171,761</b>	<b>19,470,907,854</b>
<b>Equity</b>			
Share capital		3,820,257,000	3,820,257,000
Retained earnings		(2,212,302,906)	(2,329,239,265)
Surplus on revaluation of property and equipment - net		447,463,800	447,463,800
<b>Total equity</b>		<b>2,055,417,894</b>	<b>1,938,481,535</b>
<b>Total liabilities and equity</b>		<b>19,634,589,655</b>	<b>21,409,389,390</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	17	<b>928,661,622</b>	<b>934,803,191</b>

The annexed notes form an integral part of the financial statements from Note 1 to 19.

  
**Chief Executive Officer**

  
**Chief Finance Officer**

## PASHTANY BANK

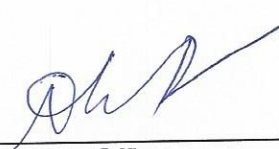
STATEMENT OF CONDENSED INTERIM COMPREHENSIVE INCOME  
FOR THE HALF YEAR ENDED 31 JAWZA 1397 (21 JUNE 2018)

		Quarter ended June 21, 2018	Half Yearly June 21, 2018	Quarter ended June 21, 2017	Half Yearly June 21, 2017
Notes		----- (AFN) -----	----- (AFN) -----	----- (AFN) -----	----- (AFN) -----
Interest / profit income	12	5,945,477	10,530,258	76,835,768	159,874,734
Interest / profit expense		(1,267,691)	(2,320,354)	(6,726,954)	(12,747,052)
<b>Net interest / profit income</b>		<b>4,677,786</b>	<b>8,209,904</b>	<b>70,108,814</b>	<b>147,127,682</b>
Fee and commission income		11,033,823	21,987,735	9,011,031	24,431,535
Fee and commission expense		(548,126)	(2,282,162)	(2,315,499)	(3,315,652)
<b>Net fee and commission income</b>		<b>10,485,697</b>	<b>19,705,573</b>	<b>6,695,532</b>	<b>21,115,882</b>
Other income	13	183,584,588	249,535,033	64,657,242	125,127,145
		249,535,033	249,535,033	64,657,242	125,127,145
<b>Operating income</b>		<b>198,748,072</b>	<b>277,450,510</b>	<b>141,461,588</b>	<b>293,370,709</b>
Impairment (loss)/ reversal		(1,298,010)	3,209,459	-	-
Personnel expenses	14	(47,154,275)	(82,513,943)	(46,977,678)	(86,915,907)
Depreciation		(3,373,089)	(6,981,452)	(4,093,127)	(8,090,571)
Other expenses	15	(40,770,545)	(83,208,559)	(47,839,558)	(89,097,620)
Exchange gain / (loss)		11,116,807	11,004,596	482,361	19,126,219
<b>Profit before taxation</b>		<b>117,268,960</b>	<b>118,960,611</b>	<b>43,033,586</b>	<b>128,392,830</b>
Income tax		(486,907)	(2,024,252)	(11,742,799)	(28,708,297)
<b>Net profit for the period</b>		<b>116,782,053</b>	<b>116,936,359</b>	<b>31,290,787</b>	<b>99,684,534</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>116,782,053</b>	<b>116,936,359</b>	<b>31,290,787</b>	<b>99,684,534</b>

The annexed notes form an integral part of the financial statements from Note 1 to 19.



Chief Executive Officer



Chief Finance Officer

**PASHTANY BANK**  
**STATEMENT OF CONDENSED INTERIM CASH FLOWS**  
**FOR THE HALF YEAR ENDED 31 JAWZA 1397 (21 JUNE 2018)**

	June 21, 2018	June 21, 2017
	----- (AFN) -----	-----
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before income tax	118,960,611	128,392,830
Adjustments for:		
Depreciation	6,981,452	8,090,571
Net impairment loss/ (reversal)	(3,209,459)	-
Foreign exchange loss/ (gain)	(11,004,596)	19,126,219
	<u>111,728,008</u>	<u>155,609,621</u>
(Increase) decrease in operating assets and liabilities:		
Loans and advances - net	-	-
Other assets	(74,029,627)	(172,179,298)
Deposits from customers and banks	(1,739,410,945)	775,837,292
Other liabilities	(50,913,848)	(16,494,865)
<b>before interest and tax</b>	<u>(1,752,626,413)</u>	<u>742,772,749</u>
Tax paid	<u>(3,115,000)</u>	-
<b>Net cash from operating activities</b>	<u>(1,755,741,412)</u>	<u>742,772,749</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Placements with maturities more than 3 months	-	164,151,410
Purchase of property and equipment	1,888,853	7,952,678
Investment made	-	305,000
Proceeds from sale of property and equipment	-	-
<b>Net cash used in investing activities</b>	<u>1,888,853</u>	<u>172,409,088</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issue of share capital	-	-
<b>Net cash used in financing activities</b>	<u>-</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents	(1,753,852,559)	915,181,837
Cash and cash equivalents at beginning of the period	18,503,549,962	15,241,736,274
Effect of exchange differences in cash and cash equivalents	11,004,596	-
<b>Cash and cash equivalents at the end of the period</b>	<u><u>16,760,701,999</u></u>	<u><u>16,156,918,110</u></u>

The annexed notes form an integral part of the financial statements from Note 1 to 19.

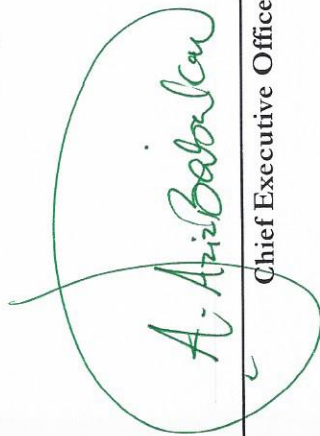
  
**Chief Executive Officer**

  
**Chief Finance Officer**

**PASHTANY BANK**  
**STATEMENT OF CONDENSED INTERIM CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED 31 JAWZA 1397 (21 JUNE 2018)**

	Share capital	Retained earnings	Surplus on revaluation of property and equipment	Total
			-----AFN-----	
Balance as at December 20, 2016	3,820,257,000	-	450,014,200	1,910,022,003
Comprehensive income for the year	-	31,009,932	(2,550,400)	28,459,532
Balance as at December 20, 2017	3,820,257,000	(2,329,239,265)	447,463,800	1,938,481,535
Balance as at December 20, 2017	3,820,257,000	(2,329,239,265)	447,463,800	1,938,481,535
Comprehensive income for the period ended	-	116,936,359	-	116,936,359
Balance as at June 21, 2018	3,820,257,000	(2,212,302,906)	447,463,800	2,055,417,894

The annexed notes form an integral part of the financial statements from Note 1 to 19.

  
A. Aziz Babar Khan  
Chief Executive Officer

  
Chief Financial Officer

## PASHTANY BANK

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 JAWZA 1397 (21 JUNE 2018)

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#### 1 STATUS AND NATURE OF OPERATIONS

Pashtany Bank ("the Bank") was registered with Afghanistan Investment Support Agency (AISA) on 26 June 2004 and on 26 June 2004 received formal commercial bank license from Da Afghanistan Bank (DAB), the Central Bank in Afghanistan, to operate nationwide. The Bank is a Limited Liability Company and is incorporated and domiciled in Afghanistan. The Principal business place of the Bank is at Muhammad Jan Khan Watt, Kabul, Afghanistan.

The Bank has been operating as one of the leading commercial banking service provider in Afghanistan. The Bank has twenty one branches (2017: twenty one branches) in operation.

These condensed interim financial statements for the quarter ended June 21, 2018 (including comparatives) have been approved and authorized for issue by the board of supervisors on 05/08/18 2018.

#### 2 STATEMENT OF COMPLIANCE

This condensed interim financial statements of the Bank for the quarter ended June 21, 2018 is un-audited and have been prepared in accordance with the International Accounting Standard 34, 'Interim Financial Reporting', issued by the International Accounting Standard Board (IASB) and directives issued by the Central Bank of Afghanistan (DAB). In case the requirements differs, the provisions of the law of banking in Afghanistan and directives issues by DAB shall prevail.

The disclosures made in this condensed interim financial statements have been limited and do not include all the information as required in the annual financial statements. Accordingly, this condensed interim financial information should be read in conjunction with the annual financial statements of the Bank for the year ended December 31, 2017.

#### 3 BASIS OF PREPARATION

##### 3.1 Basis of measurement

These condensed interim financial statements have been prepared on the historical cost basis except that certain fixed assets are stated at revalued amount and certain investments, non-banking assets acquired in satisfaction of claims and commitments in respect of forward foreign exchange contracts have been marked to market and are carried at fair value.

##### 3.2 Use of critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that effect the application of accounting policies and reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future period if the revision affects both current and future periods.

## PASHTANY BANK

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 JAWZA 1397 (21 JUNE 2018)

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Following depreciation rates are used for property and equipments on straight line basis:

- 5% for office building
- 20% for furniture and fixture
- 33% for computer equipments
- 25% for vehicles and office equipments

#### **3.3 Functional and presentation currency**

These financial statements are presented in Afghani (AFS), which is the Bank's functional currency. Except as otherwise indicated, financial information presented in Afs has been rounded to the nearest Afghani.

#### **4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Bank for the year ended December 31, 2017.

The basis for accounting estimates adopted in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Bank for the year ended December 31, 2017.

#### **Financial Risk Management**

The Bank's Financial Risk Management objectives and policies adopted by the Bank are consistent with those disclosed in the annual financial statements for the year ended December 31, 2017.

**PASHTANY BANK**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 31 JAWZA 1397 (21 JUNE 2018)**

	Note	Un-Audited Jun 21, 2018	Audited Dec 21, 2017
		----- (AFN) -----	
<b>5. CASH AND BANK BALANCES</b>			
Cash in hand			
Local currency		443,631,825	193,278,379
Foreign currency		111,207,270	792,319,618
		554,839,095	985,597,997
Balances with Da Afghanistan Bank	5.1	12,138,391,331	17,446,037,475
Balances with the other banks	5.	4,067,471,573	71,914,491
		16,760,701,999	18,503,549,962

**5.1 Balances with Da Afghanistan Bank**

Local currency			
Required reserve account		750,539,705	871,526,420
Restricted Balance with DAB		1,500,000	-
Current accounts		271,020,285	325,673,377
		1,023,059,990	1,197,199,797
Foreign currency			
Required reserve account		778,320,298	762,325,836
Current accounts		3,213,393,489	6,456,022,715
Placements			
Capital notes	5.2	6,999,823,060	8,451,371,650
Over night Account with DAB		123,794,493	579,117,478
		12,138,391,331	17,446,037,475

- 5.2 This represents capital notes issued by DAB having maturity of 7 days and carry coupon interest at rate 0.13% p.a. (2017: 1.8% to 6.77%).

	Note	Un-Audited Jun 21, 2018	Audited Dec 21, 2017
		----- (AFN) -----	
<b>5.3 Balances with other banks</b>			
<b>In Afghanistan</b>			
Current accounts		27,198,222	20,972,711
<b>Outside Afghanistan</b>			
Current accounts		103,373,352	50,941,780
Deposit accounts	5.3.1	3,936,900,000	-
		4,067,471,573	71,914,491

- 5.3.1 This is related to the newly established business relationship with City Bank New York. Currently, short term placements are made amounting to USD 50 million. In addition to this, placement are made in Akif Bank, Turkey amounting to USD 5,000,000 for short term periods.

PASHTANY BANK

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 JAWZA 1397 (21 JUNE 2018)

	Note	Un-Audited Jun 21, 2018	Audited Dec 21, 2017
		----- (AFN) -----	
<b>6. INVESTMENTS - NET</b>			
<b>Investment in equity instruments</b>			
Bank-e-Mille Afghan		9,800,000	9,800,000
Afghan National Insurance Company		7,660,000	7,660,000
Shirkat-e-Aryana		281,250	281,250
Hotel Intercontinental		64,435	64,435
Afghan Card Corporation		2,822,884	2,822,884
Pakht-e-Herat		65,542	65,542
Shirkat Nasaji Afghan		83,518,400	83,518,400
Afghanistan Payment System	6.1	17,895,000	17,372,500
		<u>122,107,512</u>	<u>121,585,012</u>
<b>6.1 Afghanistan Payment System</b>			
Balance at beginning of period		17,372,500	16,710,000
Effect of exchange rates		522,500	662,500
Balance at end of period		<u>17,895,000</u>	<u>17,372,500</u>

The Bank has made investment of USD 250,000 in Afghanistan Payment System (APS) LLC during the year 1389. The Bank currently holds 16.66% (December 20, 2016: 16.66%) shares in the company. As per the Articles of Association of the investee company, its shares cannot be sold or transferred or offered to the public.

	Un-audited 21-Jun-18	Audited 21-Dec-17
		----- (AFN) -----
<b>7. PROPERTY AND EQUIPMENT</b>		
<b>Gross Carrying Amount</b>		
At beginning of the period/ year	1,035,462,327	1,025,204,911
Addition during the period/ year	1,888,853	12,780,733
Disposal during the period/ year	-	(2,523,317)
Revaluation adjustment	-	-
<b>Closing balance</b>	<b>1,037,351,180</b>	<b>1,035,462,327</b>
<b>Accumulated Depreciation</b>		
At beginning of the period/ year	277,472,393	251,425,031
Charge for the period/ year	6,981,452	27,590,794
Accumulated depreciation on disposal	-	(1,543,432)
Revaluation adjustment	-	-
<b>Closing balance</b>	<b>284,453,845</b>	<b>277,472,393</b>
<b>Capital work-in-progress</b>	<b>68,631,752</b>	<b>68,631,752</b>
<b>Net Book value</b>	<b>821,529,087</b>	<b>826,621,686</b>

PASHTANY BANK

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 JAWZA 1397 (21 JUNE 2018)

		Un-Audited Jun 21, 2018	Audited Dec 21, 2017
	Note	----- (AFN) -----	
<b>8. OTHER ASSETS</b>			
Advances to employees		12,909,588	9,403,211
Advances to suppliers		64,465,349	64,149,493
Accrued interest on capital notes and demand deposit		3,851,100	47,295,449
Advance tax and others		466,709,413	356,963,097
		<u>547,935,450</u>	<u>477,811,250</u>
Provision against advances and receivables	8.1	(37,112,150)	(41,017,578)
Net carrying amount		<u>510,823,299</u>	<u>436,793,672</u>
<b>8.1 Provision against other assets</b>			
Opening for the period		(41,017,578)	(148,022,334)
Charged for the period		3,905,427	107,004,756
Closing for the period		<u>(37,112,150)</u>	<u>(41,017,578)</u>
<b>9. DEPOSITS FROM BANKS</b>			
Agricultural Bank Kabul		234,821	234,821
Construction Bank		1,599,059	1,599,059
Bank-e-Millie Afghan		338,881	332,569
Maiwand Bank		804,328	783,629
Afghan United Bank		3,651,913	3,559,781
Azizi Bank		1,892,683	1,837,421
Ghazanfar Bank		38,504	37,379
New Kabul Bank		35,289	-
		<u>8,595,478</u>	<u>8,384,659</u>
<b>10. DEPOSITS FROM CUSTOMERS</b>			
Term deposits		32,638,602	32,508,056
Saving deposits		7,790,702,153	7,715,876,688
Current deposits		9,259,172,952	11,073,750,727
		<u>17,082,513,707</u>	<u>18,822,135,472</u>

PASHTANY BANK

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 JAWZA 1397 (21 JUNE 2018)

	Note	Un-Audited Jun 21, 2018	Audited Dec 21, 2017
<b>11 OTHER LIABILITIES</b>		----- (AFN) -----	
Withholding tax payable		1,591,429	20,138,085
Employees benefit account		82,434,570	95,422,040
Accrued expenses		40,523,698	30,721,958
Other payables		30,665,879	59,847,342
		<u>155,215,576</u>	<u>206,129,424</u>
<b>12. NET INTEREST INCOME</b>		----- (AFN) -----	
<b>Interest income</b>			
Cash and cash equivalents		10,530,258	159,874,734
Loans and advances to customers		-	-
		<u>10,530,258</u>	<u>159,874,734</u>
<b>Interest expense</b>			
Deposits from customers	12.1	2,320,354	(12,747,052)
<b>Net interest income</b>		<u>8,209,904</u>	<u>147,127,682</u>
<b>12.1 Deposits from customers</b>			
Term deposits		163,836	(226,002)
Saving deposits		2,156,518	(12,521,050)
		<u>2,320,354</u>	<u>(12,747,052)</u>
<b>13. OTHER INCOME</b>			
Rental income		730,060	7,553,616
Bad debt recovered:			
Loan principal		216,667,893	75,891,970
Loan interest		31,924,087	41,171,780
Others		212,993	509,779
		<u>249,535,033</u>	<u>125,127,145</u>
<b>14. PERSONNEL EXPENSES</b>			
Salaries and wages		68,655,765	62,703,328
Contribution in employees benefit account		24,132	-
Staff welfare		13,834,046	24,212,579
		<u>82,513,943</u>	<u>86,915,907</u>

PASHTANY BANK

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 JAWZA 1397 (21 JUNE 2018)

	Un-Audited Jun 21, 2018	Audited 21-Jun-17
	----- (AFN) -----	
<b>15. OTHER OPERATING EXPENSES</b>		
Repair and maintenance	2,607,054	3,708,795
Travel and conveyance	722,797	1,084,413
Advertisement and publicity	3,978,934	2,282,439
Rent expense	6,531,190	8,813,222
Deposit insurance	25,812,543	24,000,000
Internet expense	5,574,082	5,541,007
Security expense	19,022,320	20,693,116
Printing and stationery	1,788,444	3,787,520
Communication	473,631	347,373
Electricity	4,649,690	3,562,068
Fuel expenses	1,308,007	1,695,833
Auditor's remuneration	455,780	243,307
Cleaning and water	234,213	446,522
Kindergarten expenses	141,183	133,657
Employees training expenses	1,031,854	1,865,013
Others	8,876,837	10,893,337
	<u>83,208,559</u>	<u>89,097,620</u>

**16. RELATED PARTY TRANSACTIONS**

**Parent and ultimate controlling party**

The Bank is owned by individual shareholders who owns Bank's shares in different proportions.

**Key management personnel**

Key management personnel includes Board of Supervisors, Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Credit Officer, Chief Risk Officer and Chief HR and Administration Officer.

**Transactions with related parties**

Transactions and balances with related parties, including remuneration and benefits paid to key management personnel under the terms of their employment are as follows:

	Transactions		Balances	
	Un-audited 21-Jun-18	Un-audited 21-Jun-17	Un-audited 21-Jun-18	Audited 31-Dec-17
<b>Transactions with key management</b>				
Salary and short terms benefits	6,330,000	6,537,400	-	-
<b>Deposits from banks</b>				
Bank-e-Mille Afghan	20,699	(18,062)	335,327	332,569

In addition to salaries and remuneration, Bank also provides non-cash benefits to executives which include furnished accommodation, meal and travel cost.

**PASHTANY BANK****NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 JAWZA 1397 (21 JUNE 2018)****17. CONTINGENCIES AND COMMITMENTS**

This include outstanding Bank Guarantees issued on behalf of customers including performance guarantees and bid bonds. These guarantees are issued against 100% cash margin.

**18. CAPITAL MANAGEMENT****Regulatory capital**

The Banks' regulator Da Afghanistan Bank sets and monitors capital requirements for the Bank. The capital adequacy of the Bank is assessed in two tiers as per regulations of the Da Afghanistan Bank.

Tier 1 or core capital, consisting of the highest quality capital elements that fully meet all the essential characteristics of capital; to be 6% of risk weighted assets.

Tier 2 or supplementary capital, which includes other instruments which, to a varying degree, fall short of the quality of Tier 1 capital, but nonetheless contribute to the overall strength of a bank as a going concern.

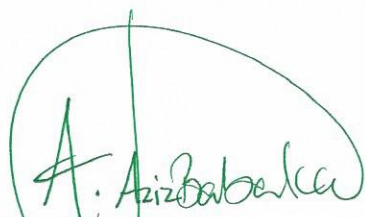
Regulatory capital is the sum of Tier 1 and Tier 2 capital. Besides, Tier 2 capital cannot exceed from total amount of Tier 1 capital. The Bank complies with these regulations.

The Bank's regulatory capital position at June 21, 2018 was as follows:

	<u>Un-Audited</u> <u>June 21, 2018</u>	<u>Audited</u> <u>Dec 21, 2017</u>
	----- (AFN) -----	
<b>Core (Tier 1) Capital:</b>		
Total shareholder's equity	2,055,417,894	1,938,481,535
Less:		
Profit for the period / year	(116,936,359)	(27,821,932)
Deferred tax assets - Net	(124,397,758)	(124,397,758)
Surplus on revaluation	(447,463,800)	(447,463,800)
	<u>1,366,619,977</u>	<u>1,338,798,045</u>
<b>Supplementary (Tier 2) Capital:</b>		
Profit for the period / year	116,936,359	27,821,932
Surplus on revaluation	447,463,800	447,463,800
Equity investments	(122,107,512)	(121,585,012)
	<u>442,292,647</u>	<u>353,700,720</u>
	<u>1,808,912,624</u>	<u>1,692,498,766</u>

**19. GENERAL**

Figures have been rounded off to the nearest Afghanis. Re-classifications are made, if necessary, to achieve the better presentations.



Chief Executive Officer



Chief Finance Officer