

KABUL BANK
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2009

		December 31, 2009	December 31, 2008
ASSETS	Note	USD	USD
Cash and balances with Da Afghanistan Bank (DAB)	4	236,130,999	112,292,959
Balances with banks and financial institutions	5	107,781,766	27,055,743
Investments	6	13,286,371	11,192,098
Loans and advances to customers - net	7	687,730,863	543,763,691
Advances, remittances, prepayments and other receivables	8	14,680,640	7,172,361
Property and equipment	9	29,092,578	5,847,380
Intangible asset	10	2,372,114	1,000,387
Total assets		<u>1,091,075,331</u>	<u>708,324,619</u>
LIABILITIES			
Customers' deposits	11	976,766,310	623,456,750
Other liabilities	12	10,371,325	7,414,829
Income tax liability		3,824,550	2,522,070
Total liabilities		<u>990,962,185</u>	<u>633,393,649</u>
EQUITY			
Share capital	13	27,727,800	23,645,800
Share premium		40,558,299	33,169,698
General reserves		28,000,000	15,000,000
Retained earnings		3,827,047	3,115,472
Total equity		<u>100,113,146</u>	<u>74,930,970</u>
Total equity and liabilities		<u>1,091,075,331</u>	<u>708,324,619</u>

The annexed notes 1 to 24 form an integral part of these financial statements.

 Sherkhan Farnood
 Chairman

 Khalilullah Fruzi
 Chief Executive Officer

KABUL BANK
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2009

		For year ended	For year ended	For nine months ended
		December 31, 2009	December 31, 2008	December 31, 2008
		USD	Unaudited USD	USD
	Note			
Interest income	15	91,586,664	74,717,122	57,662,478
Interest / prize money expense	16	(20,092,170)	(16,005,324)	(12,171,271)
Net interest income		71,494,494	58,711,798	45,491,207
Fee and commission income	17	3,484,482	2,810,822	2,140,492
Fee and commission expense	18	(356,806)	(272,720)	(233,469)
Net fee and commission income		3,127,676	2,538,102	1,907,023
		74,622,170	61,249,900	47,398,230
Other income / (expenses)	19	6,253,570	(982,789)	(894,247)
Provision against doubtful loans and advances	7.2	(7,512,668)	(1,105,000)	(1,000,000)
General and administrative expenses	20	(55,739,268)	(41,353,907)	(32,703,221)
Profit before income tax		17,623,804	17,808,204	12,800,762
Income tax expense		(3,912,229)	(3,552,440)	(2,560,152)
Profit after income tax		13,711,575	14,255,764	10,240,610
Other comprehensive income		-	-	-
Total Comprehensive income		13,711,575	14,255,764	10,240,610

The annexed notes 1 to 24 form an integral part of these financial statements.

 Sherkhan Farnood
 Chairman

 Khalilullah Fruzi
 Chief Executive Officer

KABUL BANK
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2009

	For year ended December 31, 2009	For year ended December 31, 2008 Unaudited	For nine months ended December 31, 2008
Note	USD	USD	USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation	17,623,804	17,808,204	12,800,762
Adjustments for:			
Depreciation	5,373,460	5,039,012	4,303,269
Gain on sale of property and equipment	-	(776,171)	(776,171)
Business receipts tax	(850,495)	(4,002,217)	3,224,476
Provision against loans and advances - net	7,512,668	1,105,000	1,000,000
	<u>12,035,633</u>	<u>1,365,624</u>	<u>7,751,574</u>
	29,659,437	19,173,828	20,552,336
(Increase) / decrease in operating assets			
Restricted balance with Da Afghanistan Bank (DAB)	(43,873,590)	(24,184,605)	(24,184,605)
Cash margins held	(591,861)	637,244	325,980
Loans and advances to customers	(151,479,840)	(126,691,745)	(88,663,676)
Advances, remittances, prepayments and other assets	(7,508,279)	(1,084,640)	(1,690,588)
	<u>(203,453,570)</u>	<u>(151,323,746)</u>	<u>(114,212,889)</u>
Increase / (decrease) in operating liabilities			
Customers' deposits	353,309,560	135,294,230	102,003,016
Other liabilities	4,079,615	1,268,780	4,367,550
	<u>357,389,175</u>	<u>136,563,010</u>	<u>106,370,566</u>
Business receipts tax paid	(272,625)	4,382,857	(2,340,547)
Income tax paid	(2,609,749)	(1,557,272)	(1,550,370)
Net cash generated from operations	<u>180,712,668</u>	<u>7,238,677</u>	<u>8,819,096</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from maturity of investments	11,192,098	6,554,438	24,186,794
Purchase of investments	(13,286,371)	(11,192,098)	(11,192,098)
Purchase of property and equipment	(7,340,803)	(1,269,988)	(3,861,960)
Proceeds from sale of property and equipment	-	3,602,000	3,602,000
Purchase of intangible asset	(1,371,727)	(1,000,387)	(1,000,387)
Payment against capital work in progress	(21,277,854)	-	-
Net cash generated from / (used in) investing activities	<u>(32,084,657)</u>	<u>(3,306,035)</u>	<u>11,734,349</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital	11,470,601	6,000,474	3,000,237
Net cash generated from financing activities	<u>11,470,601</u>	<u>6,000,474</u>	<u>3,000,237</u>
Net increase / (decrease) in cash and cash equivalents	160,098,612	9,933,116	23,553,682
Cash and cash equivalents at beginning of the period	114,259,558	104,326,442	90,705,876
Cash and cash equivalents at end of the period	21 <u>274,358,170</u>	<u>114,259,558</u>	<u>114,259,558</u>

The annexed notes 1 to 24 form an integral part of these financial statements.

Sherkhan Farnood
Chairman

Khalilullah Fruzi
Chief Executive Officer

KABUL BANK
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2009

	Share capital	Share premium	General reserves	Retained earnings	Total
	----- USD -----				
Balance as at April 01, 2008	22,578,100	31,237,161	5,500,000	2,374,862	61,690,123
Changes in equity for 2008					
Issue of share capital	1,067,700	1,932,537	-	-	3,000,237
Total comprehensive income for nine months	-	-	-	10,240,610	10,240,610
Transfer to general reserves	-	-	9,500,000	(9,500,000)	-
Balance at December 31, 2008	<u>23,645,800</u>	<u>33,169,698</u>	<u>15,000,000</u>	<u>3,115,472</u>	<u>74,930,970</u>
Changes in equity for 2009					
Issue of share capital	4,082,000	7,388,601	-	-	11,470,601
Total comprehensive income for the year	-	-	-	13,711,575	13,711,575
Transfer to general reserves	-	-	13,000,000	(13,000,000)	-
Balance at December 31, 2009	<u>27,727,800</u>	<u>40,558,299</u>	<u>28,000,000</u>	<u>3,827,047</u>	<u>100,113,146</u>

The annexed notes 1 to 24 form an integral part of these financial statements.

 Sherkhani Farnood
 Chairman

 Khalilullah Fruzi
 Chief Executive Officer