

**Open Joint Stock Company
AGROINVESTBANK**



FINANCIAL STATEMENTS
IN ACCORDANCE WITH THE IFRS
FOR THE YEAR ENDED DECEMBER 31, 2007
(UNAUDITED)

DUSHANBE, TAJIKISTAN

OPEN JOINT STOCK COMPANY AGROINVESTBANK

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

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STATEMENT OF THE MANAGEMENT RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE FINANCIAL STATEMENTS

Management is responsible for the preparation of the financial statements that present fairly the financial position of the Bank at 31 December 2007, the results of its operations, cash flows and changes in equity for the year then ended, in accordance with International Financial Reporting Standards (“IFRS”).

In preparing the financial statements, management is responsible for:

- Selecting suitable accounting principles and applying them consistently;
- Making judgments and estimates that are reasonable and prudent;
- Stating whether IFRS have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Preparing the financial statements on a going concern basis, unless it is inappropriate to presume that the Bank will continue in business for the foreseeable future.

Management is also responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls, throughout the Bank;
- Maintaining proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Bank, and which enable them to ensure that the financial statements of the Bank comply with IFRS;
- Maintaining statutory accounting records in compliance with legislation and accounting standards of the Republic of Tajikistan;
- Taking such steps as are reasonably available to them to safeguard the assets of the Bank; and
- Detecting and preventing fraud, errors and other irregularities.

The financial statements for the year ended 31 December 2006 were authorized for issue on 7 February 2008 by the Management Board.

On behalf of the Management Board:

Saidmurodov N.M.
Chairman

29 January 2008

Dushanbe
Republic of Tajikistan

Yakubov M.N.
Chief Accountant

29 January 2008

Dushanbe
Republic of Tajikistan



OPEN JOINT STOCK COMPANY AGROINVESTBANK
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2007

(in Tajik somoni and in thousands, unless otherwise)

	Notes	Year ended December 31, 2007	Year ended December 31, 2006
Interest income	5	76,832	41,559
Interest expense	5	<u>(42,798)</u>	<u>(19,263)</u>
NET INTEREST INCOME BEFORE PROVISION FOR IMPAIRMENT LOSSES ON INTEREST BEARING ASSETS		34,034	22,296
Provision for impairment losses on interest bearing assets	6	<u>(2,723)</u>	<u>(3,839)</u>
NET INTEREST INCOME		<u>31,311</u>	<u>18,457</u>
Net gain on foreign exchange operations	7	3,484	3,555
Fee and commission income	8	37,525	25,641
Fee and commission expense	8	(3,481)	(3,392)
Other income /(expenses), net		893	134
NET NON-INTEREST INCOME		<u>38,421</u>	<u>25,938</u>
OPERATING INCOME		<u>69,732</u>	<u>44,395</u>
OPERATING EXPENSES	9	<u>(41,741)</u>	<u>(24,011)</u>
OPERATING PROFIT		<u>27,991</u>	<u>20,384</u>
Provision for impairment losses on other assets		<u>(1,561)</u>	<u>(480)</u>
PROFIT BEFORE TAXATION		26,430	19,904
Income tax expense	10	<u>(7,759)</u>	<u>(5,699)</u>
NET PROFIT		<u>18,671</u>	<u>14,205</u>
EARNINGS PER SHARE (SOMONI)	11	53,2	57.1

On behalf of the Management Board:

 Saidmurodov N.M
 Chairman

January 29, 2008

Dushanbe

Republic of Tajikistan

 Yakubov M.N.
 Chief Accountant

January 29, 2008

Dushanbe

Republic of Tajikistan

The notes on pages 8-40 form an integral part of these financial statements.



OPEN JOINT STOCK COMPANY AGROINVESTBANK
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

BALANCE SHEET

AS OF DECEMBER 31, 2007

(in Tajik somoni and in thousands)

	Notes	December 31, 2007	December 31, 2006
ASSETS:			
Cash and balances with the National Bank of the Republic of Tajikistan	12	122,549	77,457
Due from banks	13	58,162	26,841
Loans to customers	14	400,718	188,885
Investments in subsidiaries and associates	15	3,505	505
Property, equipment and intangible assets	16	56,864	3,489
Deferred income tax assets	10	936	679
Other assets	17	24,296	6,620
TOTAL ASSETS		667,030	334,476
LIABILITIES AND EQUITY			
LIABILITIES:			
Amounts owed to National Bank of the Republic of Tajikistan	18	48,966	17,133
Due to banks	19	88,935	36,853
Customer accounts	20	428,701	222,630
Current income tax liabilities	10	2,283	1,672
Other liabilities	21	5,302	1,485
Total liabilities		574,187	279,773
EQUITY:			
Share capital		54,000	27,000
Fixed assets revaluation reserve		6,504	7,251
General reserve		8,503	3,277
Retained earnings		5,165	2,970
Net profit for the reporting year		18,671	14,205
Total equity		92,843	54,703
TOTAL LIABILITIES AND EQUITY		667,030	334,476

On behalf of the Management Board:

 Saidmurodov N.M.
 Chairman

January 29, 2008

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 Republic of Tajikistan

 Yakubov M.N.
 Chief Accountant

January 29, 2008

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 Republic of Tajikistan

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OPEN JOINT STOCK COMPANY AGROINVESTBANK
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2007
(in Tajik somoni and in thousands)

	Share capital	Fixed assets revaluation reserve	General reserve	Retained earnings	Total
2005	20,761	7,998	1,277	9,855	39,891
Issue of shares	6,239	-	-	-	6,239
Transfer of revaluation reserve to retained earnings	-	(747)	-	747	-
Provision for general reserve	-	-	2,000	(2,000)	-
Net profit	-	-	-	14,205	14,205
Dividends declared	-	-	-	(5,632)	(5,632)
As of December 31, 2006	27,000	7,251	3,277	17,175	54,703
Issue of shares	27,000	-	-	-	27,000
Transfer of revaluation reserve to retained earnings	-	(747)	-	747	-
Transfer to general reserve	-	-	5,226	(5,226)	-
Net profit	-	-	-	18,671	18,671
Dividends declared	-	-	-	(7,531)	(7,531)
As of December 31, 2007	54,000	6,504	8,503	23,836	92,843

On behalf of the Management Board:

 Saidmurodov N.M
 Chairman

January 29, 2008

Dushanbe
 Republic of Tajikistan

 Yakubov M.N.
 Chief Accountant

January 29, 2008

Dushanbe
 Republic of Tajikistan

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OPEN JOINT STOCK COMPANY AGROINVESTBANK
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2007
(in Tajik somoni and in thousands)

	Notes	Year ended December 31, 2007	Year ended December 31, 2006
CASH FLOWS FROM OPERATING ACTIVITIES:			
Interest income		77,303	39,314
Interest expense		(46,862)	(22,659)
Commissions received		37,525	25,641
Commissions paid		(3,481)	(3,392)
Foreign currency exchange		3,484	3,555
Other operating income		(667)	(413)
Salaries		(22,449)	(11,578)
Administrative expenses		(14,488)	(9,760)
		<hr/>	<hr/>
Cash flows from operating activities before changes in operating assets and liabilities		30,365	20,708
		<hr/>	<hr/>
Changes in operating assets and liabilities			
(Increase)/decrease in operating assets:			
Minimum reserve deposit with the National Bank of the Republic of Tajikistan		(29,737)	(5,537)
Due from banks		(19,568)	1,548
Loans to customers		(215,027)	(60,197)
Other assets		(17,677)	(8,012)
Increase/(decrease) in operating liabilities			
Due to the National Bank of Tajikistan		31,834	(5,601)
Deposits of banks		52,082	13,741
Customer accounts		210,135	94,722
Other liabilities		3,816	608
		<hr/>	<hr/>
Cash inflow from operating activities before taxation		46,223	51,980
Income tax paid		(7,405)	(4,812)
		<hr/>	<hr/>
Net cash inflow from operating activities		38,818	47,168
		<hr/>	<hr/>



OPEN JOINT STOCK COMPANY AGROINVESTBANK
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

	Примечания	Год, закончившийся 31 декабря 2007 года	Год, закончившийся 31 декабря 2006 года
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, equipment and intangible assets		(28,957)	(15,060)
Proceeds on sale of property, equipment and intangible assets		778	1,087
(Purchase)/proceeds on sale of investments securities		(3,000)	(500)
Net cash outflow from investing activities		<u>(31,179)</u>	<u>(14,473)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issue of ordinary shares		27,000	6,239
Dividends paid		(7,531)	(5,632)
Net cash inflow from financing activities		<u>19,469</u>	<u>607</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		27,108	33,301
CASH AND CASH EQUIVALENTS, beginning of year		<u>65,506</u>	<u>32,204</u>
CASH AND CASH EQUIVALENTS, end of year		<u>92,614</u>	<u>65,506</u>

On behalf of the Management Board:

Saidmurodov N.M

Chairman

January 29, 2008

Dushanbe

Republic of Tajikistan

Yakubov M.N.

Chief Accountant

January 29, 2008

Dushanbe

Republic of Tajikistan

The notes on pages 8-40 form an integral part of these financial statements.



OPEN JOINT STOCK COMPANY AGROINVESTBANK

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

NOTES TO THE FINANCIAL STATEMENTS

1. ORGANISATION

Open Joint-Stock Company Agroinvestbank (the “Bank”) is registered in the Republic of Tajikistan and conducts its business under the license issued by the National Bank of the Republic of Tajikistan (“NBT”) dated 17 March 2002 giving it the right to conduct all banking operations including foreign exchange operations. The Bank’s primary business consists of commercial activities, trading with securities, foreign currencies, originating loans and guarantees.

The registered office of the Bank is located at 21 Saadi-Sherozi Ave., Dushanbe, The Republic of Tajikistan.

As of December 31, 2007 the Bank has 60 branches operating in the Republic of Tajikistan, including 4 head - located in the cities of Khujand, Khorog, Kurgan-Tube and Kuliab and 57 regional branches. In 2007 bank opened new branch in Murgab.

The number of employees of the Bank as of December 31, 2007 and 2006 was 2,044 и 1,742 respectively.

As at 31 December 2006 and 2005 the major shareholders of the Bank were:

	December 31, 2007 %	December 31, 2006 %
Common shares (quantity)	51,300	27,000
Husainov Nurullo	15,5%	0,0%
Boboyev Aliboy	15,5%	14,9%
Nasredinov Abdumamon	13,6%	14,4%
Radjabov Sadridin	12,7%	14,3%
Boboeva Marziya	11,7%	0,0%
Sherov Vasliddin	7,8%	0,0%
Saidmurodov Niezmurod	5,1%	7,6%
Hayeev Ismatullo	4,7%	7,0%
Shukurov Abdudjabbor	2,9%	4,4%
Ahmedov Hurmahamad	2,7%	4,1%
Rahmoni Mahmudzoda	2,0%	3,8%
Alimardonov Pardali	0,0%	19,2%
Other shareholders	5,9%	10,3%
Total	100%	100%
Preferred shares (quantity)	2,700	-
Different shareholders	100%	-
Total preferred shares	100%	-
Total quantity of the shares in circulation	54,000	27,000

These financial statements were authorized for issue by the Bank’s Management Board on January 29, 2008.

2. OPERATING ENVIRONMENT

In recent years, the Republic of Tajikistan has undergone substantial political, economic and social changes. As an emerging market, the Republic of Tajikistan does not possess a well-developed business and regulatory infrastructure that would generally exist in more developed



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FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

market economies. As a result, operations in the Republic of Tajikistan involve risks that are not typically associated with those in developed markets. The Tajik banking industry's operations reflect uncertainty surrounding the future direction of economic and regulatory policy development. Interest rates in the Republic of Tajikistan are therefore relatively high by international standards, reflecting these risks.

The accompanying financial statements do not include any adjustments that may result from the future clarification of these uncertainties. Such adjustments, if any, will be reported in the financial statements in the period when they become known and estimable.

3. ESSENTIALS OF THE REPORTING

Main principles of accounting

These financial statements of the Bank have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements are presented in thousands of Tajik somoni ("somoni"), unless otherwise indicated.

In accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies" ("IAS 29") the economy of the Republic of Tajikistan was considered to be hyperinflationary during 2002 and prior years. From 1 January 2003, the Tajik economy is no longer considered to be hyperinflationary and the values of the Bank's non-monetary assets, liabilities and shareholders' equity as stated in measuring units as at 31 December 2003 have formed the basis for the amounts carried forward.

The Bank maintains its accounting records in accordance with Tajik statutory accounting legislation. These financial statements have been prepared from the Tajik statutory accounting records and have been adjusted to conform with IFRS. These adjustments include certain reclassifications to reflect the economic substance of underlying transactions including reclassifications of certain assets and liabilities, income and expenses to appropriate financial statement captions.

о прибылях и убытках для приведения их в соответствие с экономической сущностью операций.

Key assumptions

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to change relate to the provisions for impairment losses and the fair value of financial instruments.

Functional currency

The functional currency of these financial statements is the Tajik somoni ("somoni").

4. MAIN PRINCIPLES OF ACCOUNTING

Recognition and measurement of financial instruments The Bank shows financial assets and liabilities on its balance sheet when it becomes a party



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FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

to the contractual obligation of the instrument. Regular way purchase and sale of the financial assets and liabilities are recognized using settlement date accounting. Regular way purchases of financial instruments that will be subsequently measured at fair value between trade date and settlement date are accounted for in the same way as for acquired instruments.

Financial assets and liabilities are initially recognized at fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss transaction costs that are directly attributable to acquisition or issue of the financial asset or financial liability. The accounting policies for subsequent re-measurement of these items are disclosed in the respective accounting policies set out below.

1.4.1. Cash and cash equivalents

Cash and cash equivalents include cash on hand, unrestricted balances on correspondent and time deposit accounts with the National Bank of Tajikistan, advances to banks in countries included in the Organization for Economic Co-operation and Development (“OECD”). For purposes of determining cash flows, the minimum reserve deposit required by the National Bank of the Republic of Tajikistan is not included as a cash equivalent due to restrictions on its availability.

Due from banks

In the normal course of business, the Bank maintains advances with other banks on repayable on demand terms.

Loans to customers

Loans originated by the Bank are financial assets that are created by the Bank by providing money directly to a borrower.

Loans granted by the Bank with fixed maturities are initially recognized in accordance with the policy stated below. The difference between the nominal amount of consideration given and the amortized cost of loans issued at lower than market terms is recognized in the period the loan is issued as initial recognition adjustment discounting using market rates at inception and included in the profit and loss account as losses on origination of assets. Subsequently, the carrying amount of such loans is adjusted for amortization of the losses on origination and the related income is recorded as interest income within the profit and loss account using the effective interest method, if they have fixed maturity dates. Loans and advances to customers are carried net of any allowance for impermanent losses.

Write off of loans and advances

Loans and advances are written off against allowance for impairment losses in case of uncollectibility of loans and advances, including through repossession of collateral. Loans and advances are written off after management has exercised all possibilities available to collect amounts due to the Bank and after the Bank has sold all available collateral.

Allowance for impermanent losses

The Bank establishes an allowance for losses of financial assets when it is probable that the Bank will not be able to collect the principal and interest according to the contractual terms of financial assets, which are carried at cost or amortized cost. The allowance for impairment losses is



OPEN JOINT STOCK COMPANY AGROINVESTBANK

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

measured as the difference between carrying amounts and the present value of expected future cash flows, including amounts recoverable from guarantees and collateral, discounted at the financial asset's original effective interest rate, for financial assets which are carried at amortized cost. If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed by adjusted an allowance account. For financial assets carried at cost the allowance for impairment losses is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

The determination of impairment losses is based on an analysis of the risk assets and reflects the amount which, in the judgment of management, is adequate to provide for losses incurred. Provisions are made as a result of an individual appraisal of risk assets for financial assets that are individually significant, and an individual or collective assessment for financial assets that are not individually significant.

The change in impairment losses is charged to profit, and the total of impairment losses is deducted in arriving at assets as shown in the balance sheet. Factors that the Group considers in determining whether it has objective evidence that an impairment loss has been incurred include information about the debtors' or issuers' liquidity, solvency and business and financial risk exposures, levels of and trends in delinquencies for similar financial assets, national and local economic trends and conditions, and the fair value of collateral and guarantees. These and other factors may, either individually or taken together, provide sufficient objective evidence that an impairment loss has been incurred in a financial asset or group of financial assets.

It should be understood that estimates of losses involve an exercise of judgment. While it is possible that in particular periods the Bank may sustain losses, which are substantial relative to the allowance for losses, it is the judgment of management that the allowance for losses is adequate to absorb losses inherent in the risk assets.

Investment in subsidiaries and associates

Investment in subsidiaries and associates are carried at cost. The results of operations, assets and liabilities of subsidiaries and associates are not incorporated in these financial statements due to insignificance of operations of the companies as at reporting dates.

Property, equipment and intangible assets

Property (except for buildings), equipment and intangible assets are stated at cost less accumulated depreciation and any recognized impairment loss, except for the buildings category. Property, equipment and intangible assets purchased before 31 March 2001 are stated at historical cost taking into account inflation less accumulated depreciation and any recognized impairment loss.

The Bank's buildings are stated in the balance sheet at their revalued amounts, being the fair value at the date of revaluation, determined from market-based evidence by appraisal undertaken by professional appraisers, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the balance sheet date.



OPEN JOINT STOCK COMPANY AGROINVESTBANK

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

Any revaluation increase arising on the revaluation of such land and buildings is credited to the fixed assets revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognized as an expense, in which case the increase is credited to the profit and loss account to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such land and buildings is charged as an expense to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to income. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings.

Depreciation of property, equipment and intangible assets is charged on the carrying value of property, equipment and intangible assets and is designed to write off assets over their useful economic lives. It is calculated on a straight line basis at the following annual prescribed rates:

Buildings	7%
Furniture and equipment	15%
Motor vehicles	15%
Computers and office equipment	20%
Other	10%

Expenses related to repairs and renewals are charged when incurred and included in operating expenses unless they qualify for capitalization.

Taxation

Income tax expense represents the sum of the current and deferred tax expense.

The current tax expense is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Bank's current tax expense is calculated using tax rates that have been enacted during the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Bank is able to control



OPEN JOINT STOCK COMPANY AGROINVESTBANK

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Republic of Tajikistan has various other taxes, which are assessed on the Bank's activities. These taxes are included as a component of operating expenses in the income statement.

Deposits from banks and customers

Customer and bank deposits are initially recognized at fair value. Subsequently amounts due are stated at amortized cost and any difference between carrying and redemption value is recognized in the consolidated income statement over the period of the borrowings using the effective interest method.

Provisions

Provisions are recognized when the Bank has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

Financial guarantee contracts issued and letters of credit

Financial guarantee contracts and letters of credit issued by the Bank are credit insurance that provides for specified payments to be made to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due under the original or modified terms of a debt instrument. Such financial guarantee contracts and letters of credit issued are initially recognized at fair value. Subsequently they are measured at the higher of (a) the amount recognized as a provision and (b) the amount initially recognized less, where appropriate, cumulative amortization of initial premium revenue received over the financial guarantee contracts or letter of credit issued.

Share capital

Contributions to share capital are recognized at cost less unpaid share capital and treasury stock. Non-cash contributions are included into the share capital at the fair value of such assets at the date of contribution is made.

External costs directly attributable to the issue of new shares, other than on a business combination, are deducted from equity net of any related income taxes.

Dividends on ordinary shares are recognized in equity as a reduction in the period in which they are declared. Dividends that are declared after the balance sheet date are treated as a subsequent event under International Accounting Standard 10 "Events after the Balance Sheet Date" ("IAS 10") and disclosed accordingly.



OPEN JOINT STOCK COMPANY AGROINVESTBANK

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

Retirement and other benefit obligations

The Bank does not incur any expenses in relation to provision of pensions to its employees. In accordance with the legal requirements of the Republic of Tajikistan, the Bank withholds pension contributions from employee salaries and transfers them into the State Pension Fund. Current contributions by the employer are calculated as a percentage of current gross salary payments with the expense charged in the period in which the related salaries are earned. Upon retirement of employees, all pension payments are administered by the above stated pension fund. The Bank does not have any pension arrangements separate from the State pension system of the Kyrgyz Republic. In addition, the Bank has no post-retirement benefits or other significant compensated benefits requiring accrual.

Recognition of income and expense

Interest income and expense are recognized on an accrual basis using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial asset or

a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Once a financial asset or a group of similar financial assets has been written down (partly written down) as a result of an impairment loss, interest income is thereafter recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Interest income also includes income earned on investment securities. Other income is credited to profit and loss account when the related transactions are completed. Loan origination fees, if significant, are deferred (together with related direct costs) and recognized as an adjustment to the loan's effective yield. Commission income/expenses are recognized on an accrual basis.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Somoni at the appropriate spot rates of exchange ruling at the balance sheet date. Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Profits and losses arising from these translations are included in net gain on foreign exchange operations.

Rates of exchange

The exchange rates at the year-end used by the Bank in the preparation of the financial statements are as follows:

	December 31, 2007 (In Somoni)	December 31, 2006 (In Somoni)
1 USD	3,46490	3,42650
1 EUR	5,09060	4,51370
1 Russian roubles	0,14116	0,13013



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Offset of financial assets and liabilities

Financial assets and liabilities are offset and reported net on the balance sheet when the Bank has a legally enforceable right to set off the recognized amounts and the Bank intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. In accounting for a transfer of a financial asset that does not qualify for derecognition, the Bank does not offset the transferred asset and the associated liability.



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5. NET INTEREST INCOME

	Year ended December 31, 2007	Year ended December 31, 2006
Interest income		
	76,239	41,366
Interest on loans to customers	579	193
Interest on due from banks	14	-
Other interest income	<u>76,832</u>	<u>41,559</u>
Total interest income		
Interest expense	(31,353)	(14,878)
Interest on customer accounts	(8,060)	(4,205)
Interest on deposits of banks	(2,451)	(149)
Interest on due to National Bank of Tajikistan	<u>(934)</u>	<u>(31)</u>
Other interest expenses	<u>(42,798)</u>	<u>(19,263)</u>
Net interest income before provision for impairment losses on interest bearing assets	<u><u>34,034</u></u>	<u><u>22,296</u></u>

6. ALLOWANCE FOR IMPAIRMENT LOSSES, OTHER PROVISIONS

The movements in allowance for impairment losses on interest earning assets were as follows:

	Year ended December 31, 2007	Year ended December 31, 2006
At beginning of the year	8,600	10,833
Provision	2,723	3,839
Recovery of the assets	2,028	-
Write-off of assets	<u>(4,898)</u>	<u>(6,072)</u>
At the end of the year	<u><u>8,453</u></u>	<u><u>8,600</u></u>

The movements in allowances for impairment losses on other transactions were as follows:

	Year ended December 31, 2007	Year ended December 31, 2006
At the beginning of the year	480	-
Provision	<u>1,561</u>	<u>480</u>
At the end of the year	<u><u>2,041</u></u>	<u><u>480</u></u>

7. NET GAIN ON FOREIGN EXCHANGE OPERATIONS

	Year ended December 31, 2007	Year ended December 31, 2006
Dealing, net	3,214	2,560
Translation differences, net	<u>270</u>	<u>995</u>
Total net gain on foreign exchange operations	<u><u>3,484</u></u>	<u><u>3,555</u></u>



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8. FEE AND COMMISSION INCOME AND EXPENSE

	Year ended December 31, 2007	Year ended December 31, 2006
Fee and commission income:		
Commission on maintenance of customer accounts and money transfers	26,810	18,444
Cash operations	8,360	4,628
Commission on issued guarantees and letters of credit	789	713
Commission for telex transfers	1,156	629
Money collection fees	139	186
Other	271	1,041
Total fee and commission income	<u>37,525</u>	<u>25,641</u>
Fee and commission expense:		
Commission on maintenance of correspondent accounts and money transfers	(2,755)	(2,605)
Plastic cards operations	(345)	(379)
Commission for electronic payments	(119)	(209)
ATM servicing	(98)	(52)
Other	(164)	(147)
Total fee and commission expense	<u>(3,481)</u>	<u>(3,392)</u>

The greatest volume of the fees and commissions came from the services related with the remittances. The volume of the remittances by regions is following (in thousands USD):

	For the year 2007	For the year 2006
Dushanbe	242,564	215,146
Republic submission districts	70,522	40,253
Rusht group of the regions	4,196	1,048
Khatlon regions	212,448	114,516
Sogd regions	98,600	60,929
GBAO	12,133	7,602
Total amount of the remittances of the labor migrants passed through Agroinvestbank	<u>640,463</u>	<u>439,494</u>



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9. OPERATING EXPENSES

	Year ended December 31, 2007	Year ended December 31, 2006
Salaries and bonuses	17,843	9,176
Depreciation and amortization	4,804	2,673
Social fund contributions	4,606	2,402
Depreciation and amortization	3,279	2,887
Stationery and office supplies	1,343	1,016
Communication	1,289	907
Charity	1,270	492
Property and equipment maintenance	1,198	883
Business trip expenses	1,180	719
Advertising costs and marketing	982	361
Operating leases	905	317
Professional services	778	804
Membership fees	654	360
Representative expenses	568	194
Utilities	407	259
Security expenses	392	285
Freight and postal services	93	149
Other expenses	150	127
	<u>41,741</u>	<u>24,011</u>
Total operating expenses		

10. INCOME TAXES

The Bank provides for taxes based on the tax accounts maintained and prepared in accordance with the tax regulations of Republic of Tajikistan which differ from International Financial Reporting Standards. For the years ended 31 December 2006 and 2005 the Tajik corporate income tax rate was 25%.

Current income tax liabilities comprised the following.

:

	Year ended December 31, 2007	Year ended December 31, 2006
Current income tax liabilities	<u>2,283</u>	<u>1,672</u>
Total current income tax liabilities	<u><u>2,283</u></u>	<u><u>1,672</u></u>

The Bank is subject to certain permanent tax differences due to non-tax deductibility of certain expenses and a tax free regime for certain income.

Deferred taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Temporary differences as of 31 December 2006 and 2005 relate to recorded values of fixed and intangible assets and temporary differences in recording of certain income and expenses.



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Temporary differences as at 31 December 2007 and 2006 comprise:

:

	Year ended December 31, 2007	Year ended December 31, 2006
Deferred assets:		
Loans to customers	1,034	1,726
Accounts receivable	677	670
Cash shortages	1,364	-
Prepaid expenses	300	300
Operating supplies	500	150
Total deferred assets	3,875	2,846

Deferred liabilities:

Property, equipment and intangible assets	(130)	(130)
Total deferred liabilities	(130)	(130)
Net deferred assets	3,745	2,716
Net deferred tax asset at the statutory tax rate (25%)	936	679
Net deferred tax asset	936	679

Relationships between tax expenses and accounting profit for the years ended 31 December 2007 and 2006 are explained as follows:

	Year ended December 31, 2007	Year ended December 31, 2006
Profit before income tax	26,430	19,904
Tax at the statutory tax rate (25%)	6,608	4,976
Tax effect of permanent differences	1,151	723
Income tax expense	7,759	5,699
Current income tax expense	8,016	5,496
(Recovery)/provision for deferred tax liabilities	(257)	203
Income tax expense	7,759	5,699
Deferred income tax assets	2007	2006
Beginning of the period	679	882
Increase/(decrease) in income tax asset for the period charged to profit	257	(203)
End of the period	936	679



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11. EARNINGS PER SHARE

	Year ended December 31, 2007	Year ended December 31, 2006
Net profit for the year	18,671	14,205
Weighted average number of privileged shares	2,536	248,804
Fixed earnings per 1 privileged share (somon)	22.0	-
Amount of dividends per privileged shares	55,794	-
Weighted average number of ordinary shares	<u>350,217</u>	<u>-</u>
Earnings per common share (somon)	<u>53.2</u>	<u>57.1</u>

12. CASH AND BALANCES WITH THE NATIONAL BANK OF THE REPUBLIC OF TAJIKISTAN

	Year ended December 31, 2007	Year ended December 31, 2006
Cash	35,508	30,694
Balances with the National Bank of the Republic of Tajikistan	<u>87,041</u>	<u>46,763</u>
Total cash and balances with the National Bank of the Republic of Tajikistan	<u>122,549</u>	<u>77,457</u>

The balances with the National Bank of the Republic of Tajikistan as at 31 December 2007 and 2006 include the obligatory minimum reserve deposits to be maintained at the National Bank of the Republic of Tajikistan on a continuing basis.

Cash and cash equivalents for the purposes of the statement of cash flows comprise the following:

	Year ended December 31, 2007	Year ended December 31, 2006
Cash and National Bank of the Republic of Tajikistan	122,549	77,457
Due from banks in OECD countries	<u>19,355</u>	<u>7,602</u>
	141,904	85,059
Less minimum reserve deposits and foreign currency deposits with the National Bank of the Republic of Tajikistan	<u>(49,290)</u>	<u>(19,553)</u>
Total cash and cash equivalents	<u>92,614</u>	<u>65,506</u>

13. DUE FROM BANKS

	Year ended December 31, 2007	Year ended December 31, 2006
Correspondent accounts with other banks	47,981	26,841
Immediate distribution in banks	<u>10,181</u>	<u>-</u>
Total due from banks	<u>58,162</u>	<u>26,841</u>

Dues from banks are repayable on demand and do not bear interest.



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Dues from banks are repayable on demand and do not bear interest. As of 31 December 2007 the overall interest income of the bank from distribution of assets in other banks was equal to 436 thousand somoni.

As of 31 December 2007 the bank conducted immediate distribution (up to 30 days) in CJSC «CB EuroTrustBank» (Russia) at the total amount 2,000 thousand EURO (10,181 thousand somoni).

14. LOANS TO CUSTOMERS

	Year ended December 31, 2007	Year ended December 31, 2006
Originated loans	409,171	197,485
Less allowance for impairment losses	<u>(8,453)</u>	<u>(8,600)</u>
Total loans to customers	<u>400,718</u>	<u>188,885</u>
	Year ended December 31, 2007	Year ended December 31, 2006
Loans collateralized by real estate or rights thereon	125,635	146,851
Loans collateralized by guarantees of enterprises	-	16,066
Loans collateralized by equipment	4,981	-
Loans collateralized by other items	183,604	10,699
Unsecured loans	<u>94,951</u>	<u>23,869</u>
	409,171	197,485
Less allowance for impairment losses	<u>(8,453)</u>	<u>(8,600)</u>
Total loans to customers	<u>400,718</u>	<u>188,885</u>

As at 31 December 2007 and 2006 accrued interest income included in loans to customers amounted to 1,776 thousand somoni and 2,248 thousand, respectively.

Movements in allowances for impairment losses for the years ended 31 December 2007 and 2006 are disclosed in Note 6.

As at 31 December 2007 and 2006 the Bank provided loans to 1 and 1 customers totaling 17,324 thousand somoni and 7,869 thousand somoni, respectively, which individually exceeded 10% of the Bank's equity.

As of 31 December 2007 in the credit portfolio of the bank there are loans under court disputes at the total amount 1,248 thousand somoni, for which payment of interests was canceled.

	Year ended December 31, 2007	Year ended December 31, 2006
Analysis by sector::		
Trade	278,732	126,291
Agriculture	84,244	32,743
Natural persons/ individuals (consumer purposes)	23,441	7,232
Industry	13,115	12,940
Construction	4,406	11,816
Financial organizations	2,852	-



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Transportation	2,381	1,897
Telecommunication	-	1,379
Other	-	3,187
	<u>409,171</u>	<u>197,485</u>
Less allowance for impairment losses	<u>(8,453)</u>	<u>(8,600)</u>
Total loans to customers, net	<u>400,718</u>	<u>188,885</u>

All loans are issued to legal entities and individuals located in the Republic of Tajikistan.

Data on overall volume of disbursed credits by the Bank in the regions of Tajikistan looks the following:

	For the year 2007	For the year 2006
Dushanbe	448,996	236,848
Regions of Republic Subordination	65,536	29,861
Rasht group of regions	5,459	1,262
Khatlon oblast	87,039	25,756
Sogd oblast	171,308	83,835
Gorno-Badakhshan Autonomous Oblast	<u>17,274</u>	<u>3,329</u>
Total paid money transfers to individuals	<u>795,612</u>	<u>380,891</u>

Taking into account regional specification, the bank controls a dynamic of changes in the share of credits disbursed for entrepreneurs in mountainous regions of Tajikistan.

	For the year 2007	For the year 2006
Regions of Republic Subordination	13,441	7,455
Rasht group of regions	5,459	1,262
Khatlon oblast	5,779	1,816
Sogd oblast	663	459
Gorno-Badakhshan Autonomous Oblast	<u>17,274</u>	<u>3,329</u>
Total paid money transfers to individuals	<u>42,616</u>	<u>14,321</u>
	<u>5.4%</u>	<u>3.8%</u>

Starting from 2004 the Bank has started its activity at the micro credit markets in Tajikistan. Data on dynamic changes of the share of microcredits (up to 20 thousand USD) in the volume of disbursed credits can be characterized by the following data.

	For the year 2007	For the year 2006
Dushanbe	41,367	37,422
Regions of Republic Subordination	45,164	19,251
Rasht group of regions	4,467	1,262
Khatlon oblast	51,939	18,895
Sogd oblast	66,878	25,706
Gorno-Badakhshan Autonomous Oblast	<u>14,469</u>	<u>3,329</u>
Total paid money transfers to individuals	<u>224,284</u>	<u>105,865</u>
	<u>28.2%</u>	<u>27.8%</u>

In march 2005 the Bank was involved in the Tajikistan Micro & Small Enterprise Finance Facility (TMSEF), implemented under technical assistance and financial support of the European Bank for



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Reconstruction and Development. Starting from the beginning of program till December 31, 2007 within the framework of this programme the bank disbursed credits in the volume of 25,467 thousand USD. By the end 2007, 18 specialized credit departments have been involved, in which 72 credit experts were trained within TMSEF programme.

Data regarding the volume of disbursed credits for the last two years are characterized by the following:

	For the year 2007	For the year 2006
Number of disbursed credits	4,827	2,448
Amount of disbursed credits (in USD equivalent)	17,810	6,832

Classification of credit portfolio of the bank within TMSEF programme as of 31 December 2007, are presented below:

CREDIT PORTFOLIO WITHIN TMSEF PROGRAMME

	Year ended December 31, 2007	Year ended December 31, 2006
Number of credits	3,951	1,443
- including troubled credits	4	0
Share of defaulted credits according to their number	0,10%	0,00%
Outstanding debt of clients (in USD equivalent)	10,666	3,117
- including troubled credits	19	0
Share of defaulted credits according to their amount	0,18%	0,00%

TMSEF – REGIONS (in thousand USD)

	Number of credits	Credit balance
Dushanbe (3 credit departments)	549	3,250
Regions of Republic Subordination (3 credit departments)	1,117	2,426
Rasht group of regions (1 credit department)	21	18
Khatlon oblast (6 credit departments)	1,178	2,414
Soghd oblast (4 credit departments)	965	2,334
GBAO (1 credit department)	121	224
Total on 18 credit departments	3,951	10,666

TMSEF – SECTORS OF ECONOMY (in thousand USD)

	Number of credits	Credit balance
Agriculture	483	1,027
Industry	203	748
Service	687	838
Trade	2578	8,053
Total	3,951	10,666

TMSEF – VOLUME OF DEBTS (in thousand USD)

	Number of credits	Credit balance
0 - 500	700	207



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501 - 1,000	726	488
1,001 - 2,000	779	933
2,001 - 5,000	1,054	2,644
5,001 - 10,000	385	2,221
10,001 - 20,000	257	2,963
20,001 - 40,000	39	727
40,001 - 60,000	9	323
60,001 - 80,000	2	160
80,001 - 100,000	0	0
Total	<u>3,951</u>	<u>10,666</u>

TMSEF – TERMS OF CREDIT GRANTING (in thousand USD)

	Number of credits	Credit balance
Up to 3 months	18	16
From 3 to 6 months	747	584
From 6 to 12 months	2,866	7,395
From 1 to 2 years	320	2,671
More than 2 years	0	0
Total	<u>3,951</u>	<u>10,666</u>

TMSEF – TYPE OF BORROWERS (in thousand USD)

	Number of credits	Credit balance
Male	2,684	7,408
Female	1,253	3,167
Legal entities	14	91
Total	<u>3,951</u>	<u>10,666</u>

TMSEF – NUMBER OF EMPLOYERS OF BORROWER (in thousand USD)

	Number of credits	Credit balance
1 or 2	3,107	6,412
From 3 to 5	644	2,827
From 6 to 9	119	889
From 10 to 30	74	482
From 31 to 1000	7	56
Total	<u>3,951</u>	<u>10,666</u>

TMSEF – TYPE OF BORROWER (in thousand USD)

	Number of credits	Credit balance
New	2,613	5,788
Repeatedly	1,338	4,878
Total	<u>3,951</u>	<u>10,666</u>



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As of 31 December 2007 credit portfolio of the bank within TMSEF programme has been formed with usage of credit resources, allocated by EBRD at the total amount 1,975 thousand USD (18,5%), as well as at the expense of investments of OJSC «Agroinvestbank» at the amount 8,691 thousand USD (81,5%). In December 2007 a new loan agreement between EBRD and OJSC “Agroinvestbank” was signed, according to which the later will get additional resources in 2008 within TMSEF program at the amount equal to 10,000 thousand USD.

Among other new credit products the bank develops LC credits. In June 2005 OJSC “Agroinvestbank” became a participant in Tajikistan Trade Finance Program (TFP), realized under technical assistance and financial support of EBRD. Within the period of starting from involvement in this program till the end of 2007, the bank issued 264 LC with further post-financing, provided by foreign banks at the total amount 47,712 thousand USD, including limits of EBRD (124 Transactions) at the amount 24,779 thousand USD. The bank, working within this program, is able to use stand by guarantee of EBRD as a coverage for issued LCs at the volume of 10,000 thousands USD.

Classification characteristics of carried documentary operations on trade finance with application of LCs for import in 2006 and 2007 is presented below:

TFP – VOLUME OF CARRIED DOCUMENTARY OPERATIONS (in thousand USD)

	In 2007		In 2006	
	Number of transactions	Amount	Number of transactions	Amount
Total issued LCs for import contracts	110	23,431	92	17,545
- including the limit of EBRD	45	11,693	58	10,587
Share of operations carried out through support of EBRD	40.9%	49.9%	63.0%	60.3%

TFP – VOLUME OF OPERATIONS with breakdown of exporting countries (in thousand USD)

	In 2007		In 2006	
	Number of transactions	Amount	Number of transactions	Amount
Russia	52	12,693	27	3,296
Kazakhstan	24	5,899	33	5,363
Uzbekistan	5	605	11	613
Ukraine	13	1,117	1	126
Belarus	-	-	1	51
Kyrgyz Republic	2	681	-	-
Turkmenistan	-	-	3	740
UAE	2	110	4	1,158
Turkey	1	70	-	-
USA	-	-	2	1,210
China	2	131	3	162
Korea	2	481	2	333
India	4	352	-	-
Brazil	-	-	1	3,625



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Italy	1	823	-	-
Hungary	-	-	1	261
Malaysia	1	390	1	390
Croatia	1	80	-	-
Iran	-	-	-	217
Total	<u>110</u>	<u>23,431</u>	<u>92</u>	<u>17,545</u>



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TFP – Volume of operations with breakdown of commodities (in thousand USD)

	In 2007		In 2006	
	Total	Including EBRD limits	Total	Including EBRD limits
Automobiles and spare parts	1,528	1,219	1,429	1,031
Oil products	10,079	3,696	4,495	820
Wheat	965	268	796	646
Flour	923	61	1,555	1,057
Equipment, construction technique	2,143	1,615	1,904	1,783
Food products	911	582	3,661	3,661
Agricultural equipment and agribusiness	-	-	197	185
Communication	46	46	-	-
Medical equipment	2,562	510	1,125	579
Construction materials	3,464	3,008	695	505
Consumer goods	810	687	669	109
Electronics and Computers	-	-	959	151
Other	-	-	60	60
Total	<u>23,431</u>	<u>11,693</u>	<u>17,545</u>	<u>10,587</u>

In December 2007 the bank was involved in the third project, implemented by EBRD – Tajik Agricultural Framework Facility (TAFF). Within this program from EBRD side, according to signed Loan Agreement, starting from 2008 for OJSC “Agroinvestbank”, an annual revolving credit line in the volume of 6 mln. USD for one circle of initial products of agricultural products will be granted. For the purpose of diversification of credit risks, the loan agreement requests from the bank to follow the limits in the credit portfolio for agricultural credits. Balance of credit portfolio for such credits should not exceed 100% of own capital of the bank and 25% of total size of bank’s credit portfolio. As of 31 December 2007 these financial covenants were implemented by the bank respectively at 90,8 % and 20,6 %.

15. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

	Held, %	31 December 2007	Held, %	31 December 2006
«Leasingfinance» LLC	100%	3,000	-	-
OJSC Anorbog	100%	500	100%	500
JV Shark	47%	2	47%	2
OJSC Pakhtai Khatlon	30%	3	30%	3
Total investments in subsidiaries and associates		<u>3,505</u>		<u>505</u>

As of 31 December 2007 these companies were not consolidated into the financial statements of the Bank due to insignificance of the results of their activities, assets and liabilities.



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16. PROPERTY, EQUIPMENT AND INTANGIBLE ASSETS

	Buildings	Furniture and equipment	Motor vehicles	Intangible assets	Construction in progress and equipment for installation	Total
At initial/indexed cost						
31 December 2006	16,401	11,937	2,526	2,230	10,671	43,765
Additions	560	9,436	569	1,959	16,432	28,956
Disposals	12,245	(39)	39	-	(12,245)	-
Transfers	(48)	(511)	(107)	-	(368)	(1,034)
31 December 2007	<u>29,158</u>	<u>20,823</u>	<u>3,027</u>	<u>4,189</u>	<u>14,490</u>	<u>71,687</u>
Accumulated depreciation						
31 December 2006	(4175)	(4,725)	(854)	(522)	-	(10,276)
Charge for the year	(1,741)	(2,439)	(341)	(283)	-	(4,804)
Disposals	24	154	79	-	-	257
31 December 2006	<u>(5,892)</u>	<u>(7,010)</u>	<u>(1,116)</u>	<u>(805)</u>	<u>-</u>	<u>(14,823)</u>
Net book value						
31 December 2007	<u>23,266</u>	<u>13,813</u>	<u>1,911</u>	<u>3,384</u>	<u>14,490</u>	<u>56,864</u>
31 December 2006	<u>12,226</u>	<u>7,212</u>	<u>1,672</u>	<u>1,708</u>	<u>10,671</u>	<u>33,489</u>

17. OTHER ASSETS

	31 декабря 2007 года	31 декабря 2006 года
Foreclosed assets	10,202	3,045
Prepayments and other debtors	11,392	1,998
Accounts receivable	1,507	647
Stationery and office supplies	1,454	826
Short in the cash	1,364	-
Other	418	584
	<u>26,337</u>	<u>7,100</u>
Less allowance for impairment losses on other assets	<u>(2,041)</u>	<u>(480)</u>
Total other assets, net	<u>24,296</u>	<u>6,620</u>

The Bank claims unpaid loans by enforcing the registered collateral and takes possession of property and assets pledged as collateral.

	2007	2006
At beginning of the year	3,045	357
Additions	9,533	2,841
Disposals	(2,494)	(157)
Net profit on transactions with other real estate and assets owned	118	4
At end of the year	<u>10,202</u>	<u>3,045</u>

Movements in allowances for impairment losses on other assets for the years ended 31 December 2007 and 2006 are disclosed in Note 6.



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18. Amounts owed to the national bank of the Republic of tajikistan

As at 31 December 2007 and 2006, amounts owed to the National Bank of the Republic of Tajikistan (“NBT”):

	31 December 2007	31 December 2006
Sub-loan agreement for allocation of resources, granted by China Development Bank (for the agricultural sector)	47,588	17,132
Sub-loan agreement for allocation of resources, granted by Asian Development Bank (for the micro credit organizations)	1,378	-
Total due to banks	48,966	17,132

19. DUE TO BANKS

	31 December 2007	31 December 2006
Due to banks and financial institutions	75,836	34,430
Correspondent accounts of other banks	13,099	2,423
Total due to banks	88,935	36,853

20. CUSTOMER ACCOUNTS

	31 December 2007	31 December 2006
Repayable deposits on demand	148,417	139,047
Time deposits	280,284	83,583
Total customer accounts	428,701	222,630

	31 December 2007	31 December 2006
Analysis by sector:		
Individuals	262,334	143,683
Trade	33,568	14,644
Construction	28,264	18,618
Industry	18,657	4,258
Communications	15,182	2,555
Consumer services	13,441	3,814
Financial organizations	10,264	1,300
Government	10,017	1,960
Agriculture	9,308	2,530
Transportation	2,733	576
Reprocessing industry	2,190	13,728
Other	22,743	14,964
Total customer accounts	428,701	222,630



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As at 31 December 2007 and 2006 accrued interest expenses included in customers accounts amounted to 5,400 thousand somoni and 9.464 thousand somoni, respectively.

Geographical concentrations of customer resources in Tajikistan regions are follows:

	2007	2006
Dushanbe	299,297	169,680
Regions of Republic Subordination	18,512	7,575
Rasht group of regions	845	480
Khatlon oblast	22,780	9,212
Sogd oblast	81,835	33,910
Gorno-Badakhshan Autonomous Oblast	5,432	1,773
Total amount of the remittances paid to the clients	428,701	222,630

21. OTHER LIABILITIES

	31 December 2007	31 December 2006
Accounts payable	1,359	675
Accrued expenses	12	32
Other	3,931	778
Total other liabilities	5,302	1,485

22. EQUITY

As of 31 December 2007, paid-in share capital comprised of 51,300 ordinary shares and 2,700 privileges shares, each with par value of 100 somoni, and amounted to 54,000.

As of 31 December 2006 in the movement there were only ordinary shares in total amount of 27,000 thousand somoni. All ordinary shares are ranked equally and carry one vote. Owners of the privilege shares are not eligible to vote, but these shares have the fixed income rate in amount of 22 somoni in a year, per share. During 2007 and 2006 the Bank has increased its paid-in capital by 27,000 thousand and 6,239 thousand somoni, respectively.

In the year 2007 the Bank has declared dividends for the year 2006 in the total amount of 7,531 thousand somoni, and in the year 2006 the Bank declared dividends for the year 2005 in the amount of 5,632 thousand somoni.

For the year 2007 the amount of dividends for the ordinary shares have not declared yet.

FINANCIAL COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Bank is a party to financial instruments with off-balance sheet risk in order to meet the needs of its customers. These instruments, involving varying degrees of credit risk, are not reflected in the balance sheet.

The risk-weighted amount is obtained by applying credit conversion factor and counterparty risk weightings according to the principles employed by the Basle Committee on Banking Supervision.

As of December 31, 2007 and 2006, the nominal or contract amounts and risk-weighted amounts were:



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	31 December 2007		31 December 2006	
	Nominal amount	Risk weighted amount	Nominal amount	Risk weighted amount
Contingent liabilities and credit commitments				
Guarantees issued	4,755	4,755	9,307	8,774
Letters of credit	1,565	1,565	6,293	1,259
Commitments on loans and unused credit lines	3,417	3,417	556	278
Total contingent liabilities and credit commitments	<u>9,737</u>	<u>9,737</u>	<u>16,156</u>	<u>10,311</u>

Capital commitments – The Bank had no capital commitments as at 31 December 2007 and 2006.

Operating lease commitments – No material rental commitments were outstanding as of 31 December 2007 and 2006.

Legal proceedings – From time to time and in the normal course of business, claims against the Bank are received from customers and counterparties. Management is of the opinion that no material unaccrued losses will be incurred and accordingly no provision has been made in these financial statements.

Taxes – Due to the presence in Tajik commercial legislation, and tax legislation in particular, of provisions allowing more than one interpretation, and also due to the practice developed in a generally unstable environment by the tax authorities of making arbitrary judgment of business activities, if a particular treatment based on Management’s judgment of the Bank’s business activities was to be challenged by the tax authorities, the Bank may be assessed additional taxes, penalties and interest. Such uncertainty may relate to the valuation of financial instruments, loss and impairment provisions and the market level for the pricing of deals. The Bank believes that it has already made all tax payments, and therefore no allowance has been made in the financial statements. Tax years remain open to review by the tax authorities for three years.

Pensions and retirement plans – Employees receive pension benefits in accordance with the laws and regulations of Republic of Tajikistan. As at 31 December 2007 and 2006, the Bank was not liable for any supplementary pensions, post-retirement health care, insurance benefits, or retirement indemnities to its current or former employees.

Operating environment – The Bank’s principal business activities are within the Republic of Tajikistan. Laws and regulations affecting the business environment in the Republic of Tajikistan are subject to rapid changes and the Bank’s assets and operations could be at risk due to negative changes in the political and business environment.

23. TRANSACTIONS WITH RELATED PARTIES



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Related parties or transactions with related parties, as defined by IAS 24 “Related party disclosures”, represent:

- a) Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Bank. (This includes holding companies, subsidiaries and fellow subsidiaries);
- b) Associates – enterprises in which the Bank has significant influence and which is neither a subsidiary nor a joint venture of the investor;
- c) Individuals owning, directly or indirectly, an interest in the voting power of the Bank that gives them significant influence over the Bank;
- d) Key management personnel, that is, those persons having authority and responsibility for planning, directing and controlling the activities of the Bank, including directors and officers of the Bank (also non-executive directors and close members of the families of such individuals);
- e) Enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (c) or (d) or over which such a person is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the Bank and enterprises that have a member of key management in common with the Bank;
- f) Parties with joint control over the Bank; and
- g) Joint ventures in which the Bank is a venturer.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form. The Bank had the following transactions with related parties:

	31 December 2007		31 December 2006	
	Related party balances	Total category as per financial statements caption	Related party balances	Total category as per financial statements caption
Loans to customers	15,438	407,394	32,206	197,485
- <i>Other related parties</i>	13,134		16,777	
- <i>entities with joint control or significant influence over the entity</i>	2,304		15,429	
Provision on impairment losses	(121)	(8,453)	1,010	8,600
- <i>Other related parties</i>	(121)		510	
- <i>entities with joint control or significant influence over the entity</i>	-		500	
Customer accounts		428,701	6,771	222,630
- <i>other related parties</i>			6,027	
- <i>entities with joint control or significant influence over the entity</i>			744	

In the profit and loss account for the year ended 31 December 2007 and 2006 the following amounts are included which arose due to transactions with related parties:

Year ended 31 December 2007

Year ended 31 December 2006



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	Related party transactions	Total category as per financial statements caption	Related party transactions	Total category as per financial statements caption
Interest income		76,832	4,341	41,559
- other related parties			2,235	
- entities with joint control or significant influence over the entity	154		2,106	
Interest expenses		(42,798)	(367)	(19,263)
- other related parties			(358)	
- entities with joint control or significant influence over the entity			(9)	
Payment to the key management:				
- short term payments	(1,267)	(17,843)	(631)	(9,176)

24. FAIR VALUE OF FINANCIAL INSTRUMENTS

Estimated fair value disclosures of financial instruments are made in accordance with the requirements of IAS 32 “Financial Instruments: Disclosure and Presentation” and IAS 39 “Financial Instruments: Recognition and Measurement”. Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm’s length transaction, other than in forced or liquidation sale. The estimates presented herein are not necessarily indicative of the amounts the Bank could realize in a market exchange from the sale of its full holdings of a particular instrument.

The fair value of financial assets and liabilities compared with the corresponding carrying amount in the balance sheet of the Bank is presented below:

	31 December 2007		31 December 2006	
	Current value	Fair value	Current value	Fair value
Cash and balances with the National Bank of Republic of Tajikistan	122,548	122,548	77,457	77,457
Due from banks	58,162	58,162	23,684	23,684
Amounts owed to the National Bank of the Republic of Tajikistan	48,966	48,966	17,133	17,133
Due to banks	88,935	88,935	36,853	36,853
Customer accounts	428,701	428,701	214,519	214,519

The fair value of loans to customers can not be measured reliably as it is not practicable to obtain market information or apply any other valuation techniques on such instruments.



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25. REGULATORY MATTERS

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain minimum amounts and ratios of total (8%) and tier 1 capital (4%) to risk weighted assets.

The ratio was calculated according to the principles employed by the Basle Committee by applying the following risk estimates to the assets and off-balance sheet commitments net of allowances for impairment losses:

Estimate	Description of position
0%	Cash and balances with the National Bank of Tajikistan
20%	Due from banks for up to 1 year
100%	Loans to customers
100%	Guarantees issued
50%	Obligations and commitments on unused loans with the initial maturity of over 1 year
100%	Other assets

Capital amount and ratios are represented below:

Capital amounts and ratios	Actual amount	For Capital Adequacy purposes	Ratio for Capital Adequacy purposes	Minimum Required Ratio
As of 31 December 2007				
Total capital	92,843	89,338	17%	8%
Tier 1 capital	77,835	77,835	15%	4%
As of 31 December 2006				
Total capital	54,703	54,554	22%	8%
Tier 1 capital	44,175	44,175	18%	4%

Bank fully in compliance with the prudential regulations required by the National Bank of Tajikistan:

- all times maintain a ratio of Capital to Risk Weighted Assets (requirement – not less 12 %, actual – 17 %);
- Ratio of the Regulatory capital to the Total Assets (requirement – not less 10 %, actual – 13 %);
- Ratio of the liquid assets to the short-term liabilities /up to 30 days/ (requirement – not less 30 %, actual – 50 %);
- Ratio of the largest credit to the Regulatory capital (requirement – no more 25 %, actual – 19 %);
- Ratio of the all large credits to the Regulatory capital (requirement – no more 500 %, actual – 83 %);
- Ratio of the largest credit granted to the single shareholder of the Bank to the Regulatory capital (requirement – no more 5 %, actual – 1 %);
- Ratio of all large credits granted to the shareholders to the Regulatory capital (requirement no more – 25 %, actual – 4 %)



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- ❑ Ratio of large credit granted to the single insider of the Bank to the Regulatory capital (requirement no more – 2%, actual – 1 %)
- ❑ Ratio of all the larg credits to insiders of the Bank to the Regulatory capital (requirement no more – 5 %, actual – 3 %)
- ❑ Ratio of investment of the Bank into companies to the Regulatory capital (requirement no more – 20 %, actual – 4 %)

Moreover, in accordance with the Loan Agreement, concluded with the European Bank for Reconstruction and Development, as of the end 2007 OJSC “Agroinvestbank” fully in compliance with the following financial requirements:

- ❑ Maintain a ratio of the capital to the risk weighted assets (requirement – not less 16 %, actual – 17 %);
- ❑ Maintain a ratio of the liquid assets to the banking deposits with the term up to 30 days (requirement – not less 30 %, actual – 50 %);
- ❑ Maintain a ratio of all Operating expenses to Operating results of not more than 65 %; (actual – 44 %);
- ❑ Not exceeding the ratio of the maximum risk to the single borrower (no more 15 %; actual – 19 %);
- ❑ Not exceeding the ratio of the maximum risk to the single affiliated borrower, (requirement – no more 5 %, actual – 1 %);
- ❑ Not exceeding the ratio of the maximum risk to the group of affiliated borrowers, (requirement – no more 20 %; actual – 4 %);
- ❑ Not exceeding the ratio of the bad loans to the Total loan portfolio (requirement – no more 10 %, actual – 5 %);
- ❑ Not exceeding the ratio fixed assets to the capital (requirement –no more 75%; actual – 60 %);
- ❑ Maintain a exposure to the agricultural sector of not more than 100% of Capital (actual – 91 %);
- ❑ Maintain a exposure to the agricultural sector of not more than 25% of the borrower’s loan portfolio of the Bank (actual – 21 %);
- ❑ Not exceeding the ratio of the loans granted to the cotton sector to the gross agricultural portfolio (requirement – no more 60 %, actual - 44 %);
- ❑ Not exceeding the ratio of the loans granted by EBRD to the capital of the Bank (requirement – no more 70 %, actual - 2 %).



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26. RISK MANAGEMENT POLICIES

Management of risk is fundamental to the Bank's banking business and is an essential element of the Bank's operations. The main risks inherent to the Bank's operations are those related to credit exposures, liquidity and market movements in interest rates and foreign exchange rates. A description of the Bank's risk management policies in relation to those risks described below.

The Bank manages the following risks:

Cash flow interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of the financial instruments.

The Assets and Liabilities Management Committee also manages interest rate and market risks by matching the Bank's interest rate position, which provides the Bank with a positive interest margin. The Department of Financial Control conducts monitoring of the Bank's current financial performance, estimates the Bank's sensitivity to changes in interest rates and its influence on the Bank's profitability.

The majority of the Bank's loan contracts and other financial assets and liabilities that bear interest are either variable or contain clauses enabling the interest rate to be changed at the option of the lender. The Bank monitors its interest rate margin and consequently does not consider itself exposed to significant interest rate risk or consequential cash flow risk.

The following table presents an analysis of interest rate risk and thus the potential of the Bank for gain or loss. Effective interest rates are presented by categories of financial assets and liabilities to determine interest rate exposure and effectiveness of the interest rate policy used by the Bank.

	31 December 2007				31 December 2006			
	TJS	USD	RUR	Euro	TJS	USD	RUR	Euro
ASSETS								
Loans to customers	28%	27%	29%	31%	29%	27%	34%	31%
LIABILITIES								
Amounts owed to the NBT	9%	4%	-	-	-	5%	-	-
Dues to banks	16%	14%	13%	13%	2%	12%	-	13%
Customer accounts	17%	15%	15%	15%	18%	17%	17%	17%

Liquidity risk

Liquidity risk refers to the availability of sufficient funds to meet deposit withdrawals and other financial commitments associated with financial instruments as they actually fall due.

The Assets and Liabilities Management Committee controls these types of risks by means of maturity analysis, determining the Bank's strategy for the next financial period. Current liquidity is managed by the Treasury Department, which deals in the money markets for current liquidity support and cash flow optimization.



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The analysis of interest rate and liquidity risk on 31 December 2007 and 2006 is presented in the following table:

	Up to 1 month	1 month to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Overdue	Maturity undefined	31 December 2007 Total
ASSETS								
Loans to customers	38,323	101,582	217,154	39,869	1,807	1,983	-	400,718
Total interest bearing assets	38,323	101,582	217,154	39,869	1,807	1,983	-	400,718
Cash and balances with the National Bank of the Republic of Tajikistan	73,259	-	-	-	-	-	49,290	122,549
Dues from banks	56,163	300	1,499	200	-	-	-	58,162
Investments in subsidiaries and associates	-	-	-	-	-	-	3,505	3,505
Property, equipment and intangible assets	-	-	-	-	-	-	56,864	56,864
Deferred income tax asset	-	936	-	-	-	-	-	936
Other assets	2,583	1,456	8,691	-	-	1,364	10,202	24,296
TOTAL ASSETS	170,328	104,274	227,344	40,069	1,807	3,347	119,861	667,030
LIABILITIES								
Amounts owed to the National Bank of the Republic of Tajikistan	-	-	-	14,447	34,519	-	-	48,966
Dues from banks	20,527	4,696	26,445	24,168	-	-	-	75,836
Customer accounts	33,003	53,569	126,699	38,740	215	-	28,059	280,284
Total interest bearing liabilities	53,530	58,265	153,144	77,355	34,734	-	28,059	405,086
Dues from banks	13,099	-	-	-	-	-	-	13,099
Customer accounts	148,003	-	-	-	-	-	414	148,417
Current income tax liabilities	-	2,283	-	-	-	-	-	2,283
Other liabilities	5,302	-	-	-	-	-	-	5,302
TOTAL LIABILITIES	219,935	60,547	153,144	77,355	34,734	-	28,472	574,187
Liquidity gap	(49,607)	43,727	74,200	(37,286)	(32,927)			
Interest sensitivity gap	(15,207)	43,317	64,010	(37,486)	(32,927)			
Cumulative interest sensitivity gap	(15,207)	28,110	92,120	54,634	21,708			
Cumulative interest sensitivity gap as a percentage of total assets	(2,3%)	4,2%	13,8%	8,2%	3,3%			

	Up to 1 month	1 month to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Overdue	Maturity undefined	31 December 2007 Total
ASSETS								
Loans to customers	33,441	39,741	89,560	3,670	836	21,637	-	188,885
Total interest bearing assets	33,441	39,741	89,560	3,670	836	21,637	-	188,885
Cash and balances with the National Bank of the	57,904	-	-	-	-	-	19,533	77,457



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Republic of Tajikistan								
Dues from banks	26,841	-	-	-	-	-	-	26,841
Investments in subsidiaries and associates	-	-	-	-	-	-	505	505
Property, equipment and intangible assets	-	-	-	-	-	-	33,489	33,489
Deferred income tax asset	-	679	-	-	-	-	-	679
Other assets	1,290	744	1,169	2	24	-	3,391	6,620
TOTAL ASSETS	119,476	41,164	90,729	3,672	860	21,637	56,938	334,476
LIABILITIES								
Amounts owed to the National Bank of the Republic of Tajikistan	-	-	-	-	17,133	-	-	17,133
Dues from banks	14,440	2,554	10,583	6,853	-	-	-	34,430
Customer accounts	38,637	23,672	73,994	2,479	7	433	-	139,222
Total interest bearing liabilities	53,077	26,226	84,577	9,332	17,140	433	-	190,785
Dues from banks	2,423	-	-	-	-	-	-	2,423
Customer accounts	80,754	-	-	-	-	-	2,654	83,408
Current income tax liabilities	-	1,672	-	-	-	-	-	1,672
Other liabilities	1,485	-	-	-	-	-	-	1,485
TOTAL LIABILITIES	137,739	27,898	84,577	9,332	17,140	433	2,654	279,773
Liquidity gap	(18,263)	13,266	6,152	(5,660)	(16,280)			
Interest sensitivity gap	(19,636)	13,515	4,983	(5,662)	(16,304)			
Cumulative interest sensitivity gap	(19,636)	(6,121)	(1,138)	(6,800)	(23,104)			
Cumulative interest sensitivity gap as a percentage of total assets	(5,9%)	(1,8%)	(0,3%)	(2,0%)	(6,9%)			



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Currency risk

Currency risk is defined as the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Bank is exposed to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Bank sets limits on the level of exposure by currencies (primary USD). These limits also comply with the requirements of the National Bank of the Republic of Tajikistan.

The Bank's exposure to foreign currency exchange rate risk on 31 December 2007 and 2006 is presented in the table below:

	TJS	USD USD 1 = TJS 3.4649	EUR EUR 1 = TJS 5.0906	Other currencies	31 December 2007 Total
ASSETS					
Cash and balances with the National Bank of the Republic of Tajikistan	64,864	51,340	924	5,421	122,549
Due from banks	-	34,689	14,241	9,233	58,162
Loans to customers	59,778	336,790	71	4,078	400,718
Investment in subsidiaries and associates	3,505	-	-	-	3,505
Property, equipment and intangible assets	56,864	-	-	-	56,864
Deferred income tax asset	936	-	-	-	936
Other assets	23,307	927	2	60	24,296
TOTAL ASSETS	209,254	423,746	15,238	18,792	667,030
LIABILITIES					
Amounts owed to the National Bank of the Republic of Tajikistan	31,642	17,324	-	-	48,966
Due to banks	13,678	71,352	3,474	430	88,935
Customer accounts	97,842	304,457	11,634	14,768	428,701
Current income tax liabilities	2,283	-	-	-	2,223
Other liabilities	1,064	3,061	58	1,118	5,302
TOTAL LIABILITIES	146,509	396,195	15,166	16,317	574,187
NET BALANCE SHEET POSITION	62,745	27,551	72	2,475	



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	TJS	USD USD 1 = TJS 3.4265	EUR EUR 1 = TJS 4.5137	Other currencies	31 December 2007 Total
ASSETS:					
Cash and balances with the National Bank of Republic of Tajikistan	36,542	38,861	187	1,867	77,457
Due from banks	-	17,374	3,398	2,912	23,684
Loans to customers	37,927	149,324	582	1,052	188,885
Investment in subsidiaries and associates	505	-	-	-	505
Property, equipment and intangible assets	33,489	-	-	-	33,489
Deferred income tax asset	679	-	-	-	679
Other assets	5,796	3,491	-	490	9,777
TOTAL ASSETS	114,938	209,050	4,167	6,321	334,476
LIABILITIES					
Amounts owed to the National Bank of the Republic of Tajikistan	-	17,133	-	-	17,133
Due to banks	2,419	34,182	-	252	36,853
Customer accounts	55,062	151,769	4,137	3,551	214,519
Current income tax liabilities	1,672	-	-	-	1,672
Other liabilities	915	7,702	35	944	9,596
TOTAL LIABILITIES	60,068	210,786	4,172	4,747	279,773
NET BALANCE SHEET POSITION	54,870	(1,736)	(5)	1,574	

CREDIT RISK

The Bank is exposed to credit risk which is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Bank structures the level of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers. The decisions on the granting of loans exceeding the set limits for branches are made by the Credit Committee. Actual exposures against limits are monitored daily.

Where appropriate, and in the case of most loans, the Bank obtains collateral and corporate and personal guarantees but a significant portion is personal lending, where no such facilities can be obtained. Such risks are monitored on a continuous basis and subject to annual or more frequent reviews.

Geographical concentration

The Assets and Liabilities Management Committee exercises control over the risk in the legislation and regulatory arena and assesses its influence on the Bank's activity. This approach allows the Group to minimize potential losses from the investment climate fluctuations in the Republic of Tajikistan. The Bank's Management Board sets up country limits, which mainly applies to banks of the Commonwealth of Independent States and Baltic countries.

The geographical concentration of assets and liabilities is set out below:



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	Tajikistan	OECD countries	Non-OECD countries	31 December 2007 Total
ASSETS				
Cash and balances with the National Bank of Tajikistan	122,549	-	-	122,549
Due from banks	-	19,355	38,807	58,162
Loans to customers	400,718	-	-	400,718
Investment in subsidiaries and associates	3,505	-	-	3,505
Property, equipment and intangible assets	56,864	-	-	56,864
Deferred income tax asset	936	-	-	936
Other assets	24,296	-	-	24,296
TOTAL ASSETS	608,868	19,355	38,807	667,030
LIABILITIES				
Amounts owed to the National Bank of the Republic of Tajikistan	48,966	-	-	48,966
Due to banks	32,998	16,178	39,759	88,935
Customer accounts	426,068	-	2,633	428,701
Current income tax liabilities	2,283	-	-	2,283
Other liabilities	3,431	-	1,871	5,302
TOTAL LIABILITIES	513,746	16,178	44,263	574,187
NET BALANCE SHEET POSITION	95,122	3,177	(5,456)	



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	Tajikistan	OECD countries	Non-OECD countries	31 December 2007 Total
ASSETS				
Cash and balances with the National Bank of Tajikistan	77,457	-	-	77,457
Due from banks	-	7,602	16,082	23,684
Loans to customers	188,885	-	-	188,885
Investment in subsidiaries and associates	505	-	-	505
Property, equipment and intangible assets	33,489	-	-	33,489
Deferred income tax asset	679	-	-	679
Other assets	9,777	-	-	9,777
TOTAL ASSETS	<u>310,792</u>	<u>7,602</u>	<u>16,082</u>	<u>334,476</u>
LIABILITIES				
Amounts owed to the National Bank of the Republic of Tajikistan	17,133	-	-	17,133
Due to banks	2,422	13,011	21,420	36,853
Customer accounts	212,892	-	1,627	214,519
Current income tax liabilities	1,672	-	-	1,672
Other liabilities	1,651	-	7,945	9,596
TOTAL LIABILITIES	<u>235,770</u>	<u>13,011</u>	<u>30,992</u>	<u>279,773</u>
NET BALANCE SHEET POSITION	<u>75,022</u>	<u>(5,409)</u>	<u>(14,910)</u>	

27. EVENTS, HAPPENED AFTER THE DATE OF THIS BALANCE-SHEET

There were not any other events, which might affect to the financial activity of the Bank as of report date, or which need additional explanation.

