

BAKHTAR BANK
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016

| 2016 | 2015 | | Note | 2016 | 2015 |
|--|----------|--|------|---------------------|--------------------|
|US\$ '000'..... | | | |AFN '000'..... | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| (5,178) | (4,289) | Loss before taxation | | (346,058) | (293,273) |
| Adjustments for: | | | | | |
| 652 | 589 | Depreciation | 8 | 43,564 | 40,282 |
| 27 | 9 | Amortization | 9 | 1,803 | 636 |
| (227) | (782) | Accrued interest on cash and cash equivalents | | (15,156) | (53,490) |
| 1,679 | 2,221 | Impairment (gain)/ loss on loans and advances | 6.8 | 112,206 | 151,862 |
| (3,047) | (2,252) | | | (203,641) | (153,983) |
| Increase / decrease in operating assets and liabilities: | | | | | |
| 4,550 | 797 | Loans and advances to customers | 6 | 304,062 | 54,461 |
| (3,716) | (5,035) | Other assets | 11 | (248,339) | (344,215) |
| 27,772 | 29,634 | Deposits from customers | 13 | 1,855,982 | 2,026,065 |
| (11,963) | 59,167 | Deposits from banks | 14 | (799,516) | 4,045,258 |
| 1,654 | 970 | Other liabilities | 15 | 110,524 | 66,286 |
| 15,249 | 83,280 | Net cash generated from operating activities before interest and taxation | | 1,019,072 | 5,693,872 |
| 189 | (565) | Tax adjustment | | 12,635 | (38,638) |
| 15,438 | 82,715 | Net cash generated from operating activities | | 1,031,707 | 5,655,234 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| 9,442 | (42,192) | Investments - Net of interest | 7 | 630,976 | (2,884,670) |
| (11) | (52) | Acquisition of intangible assets | 9 | (766) | (3,536) |
| (764) | - | Recognition of non-current assets held for sale | | (51,036) | - |
| (2,681) | (668) | Acquisition of property and equipment - Net of disposals | 8 | (179,176) | (45,687) |
| 5,986 | (42,912) | Net cash used in investing activities | | 399,998 | (2,933,893) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| 748 | 2,560 | Issuance / Redemption of share capital | 12 | 50,000 | 175,000 |
| 748 | 2,560 | Net cash used in / generated from financing activities | | 50,000 | 175,000 |
| 22,172 | 42,363 | Net increase in cash and cash equivalents | | 1,481,705 | 2,896,341 |
| 153,020 | 107,211 | Cash and cash equivalents at beginning of the year | | 10,226,404 | 7,330,063 |
| 175,192 | 149,574 | Cash and cash equivalents at the end of the year | 5 | 11,708,109 | 10,226,404 |

The annexed notes 1 to 28 form an integral part of these financial statements.



Chairman



Chief Executive Officer



Chief Finance Officer