



**OPEN JOINT STOCK COMMERCIAL BANK  
“ASIA ALLIANCE BANK”**

**Consolidated Financial Statements and  
Independent Auditor’s Report  
For the Year Ended 31 December 2013**

## INDEPENDENT AUDITORS' REPORT

To: the Shareholders and the Council of Open Joint Stock Commercial Bank "Asia Alliance Bank"

We have audited the accompanying consolidated financial statements of Open Joint Stock Commercial Bank "Asia Alliance Bank" and its subsidiaries (together referred as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2013, the consolidated statement of profit or loss and other comprehensive income, statements of changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects the financial position of the Group as at 31 December 2013, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

*Deloitte & Touche*

6 March 2014  
Tashkent, Uzbekistan

**OPEN JOINT STOCK COMMERCIAL BANK "ASIA ALLIANCE BANK"**

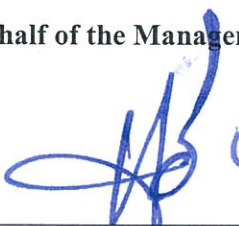
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2013**


*(in thousands of Uzbek Soums)*

	Notes	31 December 2013	31 December 2012
<b>ASSETS:</b>			
Cash and cash equivalents	4	531,776,947	415,880,127
Due from banks	5	350,832,990	158,123,486
Loans to customers	6,23	192,532,112	97,135,306
Finance lease receivable	7,23	10,578,496	10,942,663
Premises and equipment	8	20,211,022	17,331,842
Intangible assets	8	316,594	348,034
Other assets	9	7,036,647	5,497,094
<b>TOTAL ASSETS</b>		<b>1,113,284,808</b>	<b>705,258,552</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES:</b>			
Due to banks	10	72,647,809	22,649,410
Customer accounts	11,21	935,910,638	619,232,407
Deferred income tax liabilities	18	536,302	44,977
Other liabilities	12	8,072,591	1,280,382
<b>Total liabilities</b>		<b>1,017,167,340</b>	<b>643,207,176</b>
<b>EQUITY:</b>			
Share capital	13	75,278,123	50,850,000
Share premium	13	1,425,616	688,492
Retained earnings		19,413,729	10,512,884
<b>Total equity</b>		<b>96,117,468</b>	<b>62,051,376</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,113,284,808</b>	<b>705,258,552</b>

On behalf of the Management Board:

  
**Mr Abdukaharov I.A.**  
**Chairman of the Board**



  
**Mr Sharipov D.P.**  
**Chief Accountant**

6 March 2014  
 Tashkent, Uzbekistan

6 March 2014  
 Tashkent, Uzbekistan

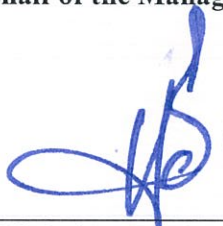
**OPEN JOINT STOCK COMMERCIAL BANK "ASIA ALLIANCE BANK"**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2013**

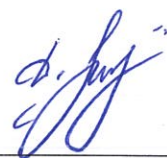
*(in thousands of Uzbek Soums)*

	Notes	Year ended 31 December 2013	Year ended 31 December 2012
<b>Continuing operations</b>			
Interest income	14,23	26,854,210	15,738,342
Interest expense	14,23	(12,671,328)	(6,585,698)
NET INTEREST INCOME BEFORE IMPAIRMENT (LOSSES)/RECOVERY ON INTEREST BEARING ASSETS		14,182,882	9,152,644
Impairment (losses)/recovery on interest bearing assets	6,7,23	(4,667,042)	938,591
<b>NET INTEREST INCOME</b>		<b>9,515,840</b>	<b>10,091,235</b>
Net gain on foreign exchange operations	15	31,255,330	12,989,948
Fee and commission income	16,23	52,638,570	39,305,190
Fee and commission expense	16	(14,882,474)	(12,612,948)
Provision	12	(2,610,766)	-
Other income, net		338,179	57,005
<b>NET NON-INTEREST INCOME</b>		<b>66,738,839</b>	<b>39,739,195</b>
<b>OPERATING INCOME</b>		<b>76,254,679</b>	<b>49,830,430</b>
Operating expenses	17,23	(28,926,604)	(18,607,286)
<b>PROFIT BEFORE INCOME TAX</b>		<b>47,328,075</b>	<b>31,223,144</b>
Income tax expense	18	(5,722,490)	(3,884,037)
<b>NET PROFIT FOR THE YEAR</b>		<b>41,605,585</b>	<b>27,339,107</b>
Other comprehensive income		-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>41,605,585</b>	<b>27,339,107</b>

**On behalf of the Management Board:**

  
Mr Abdukaharov I.A.  
Chairman of the Board



  
Mr Sharipov D.P.  
Chief Accountant

6 March 2014  
Tashkent, Uzbekistan

6 March 2014  
Tashkent, Uzbekistan

**OPEN JOINT STOCK COMMERCIAL BANK "ASIA ALLIANCE BANK"**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2013**

*(in thousands of Uzbek Soums)*

	Share capital	Share premium	Retained earnings	Total equity
<b>1 January 2012</b>	<b>15,440,876</b>	-	<b>12,199,876</b>	<b>27,640,752</b>
Share issue	12,509,124	235,172	-	12,744,296
Total comprehensive income for 2012	-	-	27,339,107	27,339,107
Dividends declared	-	-	(29,026,099)	(29,026,099)
Capitalisation of dividends	22,900,000	453,320	-	23,353,320
<b>31 December 2012</b>	<b>50,850,000</b>	<b>688,492</b>	<b>10,512,884</b>	<b>62,051,376</b>
Share issue	2,788,461	111,538	-	2,899,999
Total comprehensive income for 2013	-	-	41,605,585	41,605,585
Dividends declared	-	-	(32,704,740)	(32,704,740)
Capitalisation of dividends	21,639,662	625,586	-	22,265,248
<b>31 December 2013</b>	<b>75,278,123</b>	<b>1,425,616</b>	<b>19,413,729</b>	<b>96,117,468</b>

On behalf of the Management Board:

**Mr Abdukaharov I.A.**  
**Chairman of the Board**

6 March 2014  
Tashkent, Uzbekistan



**Mr Sharipov D.P.**  
**Chief Accountant**

6 March 2014  
Tashkent, Uzbekistan

The notes on pages 8-57 form an integral part of these consolidated financial statements.

**OPEN JOINT STOCK COMMERCIAL BANK "ASIA ALLIANCE BANK"**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2013**  
*(in thousands of Uzbek Soums)*

	Notes	Year ended 31 December 2013	Year ended 31 December 2012
<b>Cash flows from operating activities</b>			
Interest received		27,868,060	15,238,000
Interest paid		(12,620,707)	(6,503,500)
Fee and commission received		53,530,113	39,305,190
Fee and commission paid		(14,905,548)	(12,612,948)
Income received from trading in foreign currencies		860,069	1,295,858
Other operating income received		306,535	54,663
Staff costs paid		(12,054,955)	(9,272,351)
Administrative and other operating expenses paid		(15,576,871)	(7,668,392)
Income tax paid		(8,116,532)	(3,082,151)
		<b>19,290,164</b>	<b>16,754,369</b>
<b>Change in operating assets and liabilities</b>			
Net increase in mandatory reserve deposit at the Central Bank of the Republic of Uzbekistan		(46,911,380)	(62,483,546)
Net increase in due from other banks		(145,903,050)	(32,947,735)
Net increase in loans to customers		(100,953,556)	(55,577,749)
Net decrease/(increase) in finance lease receivable		344,951	(2,089,821)
Net increase in other assets		(14,063)	(4,774,270)
Net increase in due to other banks		49,865,932	18,264,714
Net increase in customer accounts		316,760,077	398,765,911
Net increase in other liabilities		712,711	228,039
		<b>93,191,786</b>	<b>276,139,912</b>
<b>Cash flows from investing activities</b>			
Purchase of premises and equipment	8	(4,657,696)	(4,895,757)
Purchase of intangible assets	8	(103,418)	(121,932)
Proceeds from disposal of premises and equipment	8	986,626	-
		<b>(3,774,488)</b>	<b>(5,017,689)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of ordinary shares		2,899,999	12,744,296
Dividends paid on ordinary shares		(6,815,738)	(5,672,779)
		<b>(3,915,739)</b>	<b>7,071,517</b>

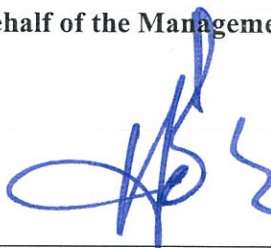
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**OPEN JOINT STOCK COMMERCIAL BANK "ASIA ALLIANCE BANK"**

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2013**  
*(in thousands of Uzbek Soums)*

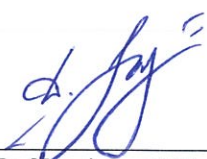
	Notes	Year ended 31 December 2013	Year ended 31 December 2012
Effect of exchange rate changes on cash and cash equivalents		30,395,261	11,694,091
<b>Net increase in cash and cash equivalents</b>		<b>115,896,820</b>	<b>289,887,831</b>
<b>CASH AND CASH EQUIVALENTS, beginning of period</b>	4	<b>415,880,127</b>	<b>125,992,296</b>
<b>CASH AND CASH EQUIVALENTS, end of period</b>	4	<b>531,776,947</b>	<b>415,880,127</b>

On behalf of the Management Board:

  
Mr Abdukaharov I.A.  
Chairman of the Board

6 March 2014  
Tashkent, Uzbekistan



  
Mr Sharipov D.P.  
Chief Accountant

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