

Karafarin Bank (PJSC)
Consolidated Statement of Financial Position
At March 20, 2014

Assets	Note	March 20,	Restated	Liabilities & Shareholders' Equity	Note	March 20,	Restated
		2014	March 20,			2014	March 20,
		IRR million	IRR million			IRR million	IRR million
Cash	5	662,946	170,306	Liabilities:			
Dues from CBI	6	10,644,794	6,807,598	Dues to CBI	16	9,871,758	5,097,238
Dues from Other Banks & Credit Institutions	7	15,381,725	12,695,452	Dues to Other Banks & Credit Institutions	17	2,681,238	1,988,547
Granted Facilities	8	59,128,314	45,527,528	Demand Deposits	18	1,934,034	2,373,610
Debtors of Letters of Credit & Term Bills of Exchange	9	133,397	518,847	Gharz-al-Hassaneh Savings Deposits	19	489,056	271,365
Accounts Receivable	10	1,471,590	500,431	Term Investment Deposits	20	65,281,678	46,703,055
Participation Bonds & Funds with Fixed Income	11	1,127,558	1,667,877	Other Deposits	21	3,015,370	4,664,123
Investments	12	3,368,474	1,509,497	Tax Payable	22	492,941	580,962
Tangible Fixed Assets	13	4,612,864	3,858,032	Interest Payable on Deposits	23	162,013	639,113
Intangible Assets	14	3,767,322	3,200,138	Provisions & Other Liabilities	24	2,720,308	2,895,840
Other Assets	15	893,779	731,012	Dividend Payable	25	91,635	56,906
				Provision for Termination Benefits	26	187,673	132,551
				Total Liabilities		86,927,704	65,403,310
				Shareholders' Equity:			
				Capital	27	7,250,000	7,250,000
				Increase in Flowing Capital		1,235,121	-
				Statutory Reserves	28	2,318,434	1,807,378
				Other Reserves		6,403	5,926
				Revaluation Reserve of Fixed Assets	13-2	43,597	125,305
				Retained Earnings		3,402,670	2,572,275
				Shareholders' Equity		14,256,225	11,760,884
				Minority Interest	29	8,834	22,524
				Total Shareholders' Equity		14,265,059	11,783,408
Total Assets		101,192,763	77,186,718	Total Liabilities & Shareholders' Equity		101,192,763	77,186,718
Off Balance Sheet Items				Off-Balance Sheet Items:			
Letters of Credit	44	6,660,705	8,406,491	Letters of Credit	44	6,660,705	8,406,491
Letters of Guarantee	45	18,134,772	13,583,203	Letters of Guarantee	45	18,134,772	13,583,203
Managed Funds	46	379,645	903,885	Managed Funds	46	379,645	903,885
Other Commitments & Memorandum Items	47	331,787,122	222,438,856	Other Commitments & Memorandum Items	47	331,787,122	222,438,856

The explanatory notes are an integral part of the consolidated financial statements.

Karafarin Bank (PJSC)
Consolidated Income Statement
For the Year Ended March 20, 2014

	Note	March 20, 2014		Restated
				March
		IRR million	IRR million	2013 ,20
				IRR million
Income from Joint Activities				
Interest on Loans and Facilities	30		11,912,988	8,174,154
Interest on Deposits and Income from Investments	31		1,795,137	2,112,843
			13,708,125	10,286,997
Interest paid on Investment Deposits	32	(9,596,980)		(6,438,442)
Difference in Accrued and Prepaid Interest on Investment Deposits	33	(150,534)		(636,532)
Depositors' Share in Income from Joint Activities			(9,747,514)	(7,074,975)
Bank's Share in Income from Joint Activities			3,960,611	3,212,022
Income from Non-joint Activities				
Interest on Loans and Facilities	30	776,188		518,571
Interest on Deposits and Income from Investments	31	86,915		43,606
Commission Income	34	710,057		511,168
Income from Currency Exchange Transactions	35	231,427		193,146
Other Income	36	354,971		326,013
			2,159,558	1,592,504
Total Income			6,120,169	4,804,526
Expenses				
General and Administrative Expenses	37	(1,224,117)		(927,703)
Loan Loss Provisions Expense	38	(352,199)		(334,135)
Financing Expense	39	(137,103)		(32,952)
Commission and Other Expenses	40	(186,111)		(181,672)
			(1,899,530)	(1,476,461)
Interest before Considering Group's Quota from Interest of Affiliated Companies			4,220,639	3,328,066
Group's Quota from Interest of Affiliated Companies			115,540	18,908
Net Profit before Tax			4,336,178	3,346,974
Tax			(646,324)	(427,700)
Net Profit before Minority Interest			3,689,854	2,919,274
Minority Interest from Net Profit			(4,313)	(3,480)
Net Profit			3,685,542	2,915,793
Earnings per Share:				
Primary Earnings per Share – IRR	51		508	402
Diluted Earnings per Share – IRR	51		451	360
Consolidated Retained Earnings Statement				
Net Profit			3,685,542	2,915,793
Retained Earnings - Opening Balance		3,043,966		2,043,036
Prior Period Adjustments	41	(471,691)		(524,821)
Adjusted Opening Retained Earnings			2,572,275	1,518,215
Allocable Profit			6,257,817	4,434,008
Profit Allocation:				
Ratified Dividend	25	(2,337,500)		(675,000)
Capital Increase from Retained Earnings & Revaluation Surplus		0		(750,000)
Bonus of the Board of Directors		(6,113)		(5,069)
Statutory Reserve	28	(511,057)		(431,140)
Other Reserves		(477)		(524)
Allocated Profit			(2,855,147)	(1,861,733)
Retained Earnings - Closing Balance			3,402,670	2,572,275
Retained Earnings - Minority Interest			(58,230)	(22,711)

The explanatory notes are an integral part of the consolidated financial statements.

Karafarin Bank (PJSC)
Consolidated Comprehensive Income Statement
For the Year Ended March 20, 2014

	Note	March 20, 2014 IRR million	Restated March 20, 2013 IRR million
Net Profit for the Period		3,685,542	2,915,793
Assets Revaluation Surplus	13-2	-	81,708
Comprehensive Income for the Period		3,685,542	2,997,501
Prior Period Adjustment	41	(471,691)	(524,821)
Current Period Comprehensive Income		3,213,851	2,472,680
Comprehensive Income for the Period- Minority Interest		(4,313)	(3,480)

The explanatory notes are an integral part of the consolidated financial statements.

Karafarin Bank (PJSC)
Consolidated Cash Flows Statement
For the Year Ended March 20, 2014

	Note	March 20, 2014		March 20, 2013
		IRR million	IRR million	IRR million
Operating Activities				
Net Cash Inflow from Operating Activities	42		8,055,576	8,442,391
Return on Investments and Servicing of Finance				
Dividends Received		186,302		30,079
Interest Paid		(137,103)		(32,952)
Dividends Paid		(1,146,162)		(671,313)
Net Cash Outflow for Returns on Investments and Servicing of Finance			(1,096,963)	(674,186)
Taxation				
Income Tax Paid			(734,344)	(568,353)
Investment Activities				
Purchase of Investments		(2,796,247)		(1,225,687)
Purchase of Tangible Fixed Assets		(1,751,780)		(1,755,398)
Purchase of Intangible Assets		(16,579)		(350,907)
Sales of Investments		1,374,085		919,583
Sales of Tangible Fixed Assets		311,130		45,640
Sales of Held Assets		0		9,519
Net Cash Outflow from Investment Activities			(2,879,391)	(2,357,250)
Net Cash Inflow (Outflow) before Financing Activities			3,344,878	4,842,218
Financing Activities				
Capital Increase		80,423		0
Financial Facilities Received		1,886,000		0
Repayment of Principal on Financial Facilities		(1,503,480)		(186,982)
Net Cash Inflow (Outflow) from Financing Activities			462,943	(186,982)
Net Cash Inflow			3,807,821	4,655,236
Effect of Foreign Exchange Differences			231,427	193,146
Net Increase (Decrease) in Cash			4,039,248	4,847,998
Cash - Opening Balance	43		13,322,934	8,474,168
Cash - Closing Balance	43		17,362,182	13,322,934
Non-cash Transactions	43-1		1,718,316	0

The explanatory notes are an integral part of the consolidated financial statements.

Karafarin Bank (PJSC)
Statement of Financial Position
At March 20, 2014

Assets	Note	March 20, 2014	Restated March 20, 2013	Liabilities & Shareholders' Equity	Note	March 20, 2014	Restated March 20, 2013
		IRR million	IRR million			IRR million	IRR million
Cash	5	660,464	168,001	Liabilities:			
Dues from CBI	6	10,644,794	6,807,598	Dues to CBI	16	9,871,758	5,097,238
Dues from Other Banks & Credit Institutions	7	15,316,851	12,683,612	Dues to Other Banks & Credit Institutions	17	2,051,333	1,725,681
Granted Facilities	8	58,281,424	45,102,785	Demand Deposits	18	1,934,034	2,373,610
Debtors of Letters of Credit & Term Bills of Exchange	9	133,397	518,847	Gharz-al-Hassaneh Savings Deposits	19	489,055	271,365
Accounts Receivable	10	1,874,766	995,747	Term Investment Deposits	20	65,460,124	46,778,989
Participation Bonds & Funds with Fixed Income	11	1,087,017	1,481,527	Other Deposits	21	3,015,370	4,664,123
Investments	12	2,812,410	1,157,942	Tax Payable	22	437,847	564,263
Tangible Fixed Assets	13	4,840,757	4,047,467	Interest Payable on Deposits	23	162,013	639,113
Intangible Assets	14	3,765,653	3,198,965	Provisions & Other Liabilities	24	2,599,520	2,860,432
Other Assets	15	840,360	721,817	Dividend Payable	25	22,332	22,880
				Provision for Termination Benefits	26	183,720	130,082
				Total Liabilities		86,227,106	65,127,776
				Shareholders' Equity:			
				Capital	27	7,250,000	7,250,000
				Increase in Flowing Capital		1,235,121	-
				Statutory Reserves	28	2,285,685	1,778,515
				Revaluation Reserve of Fixed Assets	13-2	43,597	43,597
				Retained Earnings		3,216,384	2,684,420
				Total Shareholders' Equity		14,030,787	11,756,532
				Total Liabilities & Shareholders' Equity		100,257,893	76,884,308
				Off-Balance Sheet Items			
				Letters of Credit	44	6,660,705	8,406,491
Total Assets		100,257,893	76,884,308	Letters of Guarantee	45	18,134,772	13,583,203
Off-Balance Sheet Items				Managed Funds	46	379,645	903,884
Letters of Credit	44	6,660,705	8,406,491	Other Commitments & Memorandum Items	47	331,787,122	222,438,856
Letters of Guarantee	45	18,134,772	13,583,203	Letters of Guarantee	45	18,134,772	13,583,203
Managed Funds	46	379,645	903,884	Managed Funds	46	379,645	903,885
Other Commitments & Memorandum Items	47	331,787,122	222,438,856	Other Commitments & Memorandum Items	47	331,787,122	222,438,856

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Karafarin Bank (PJSC)
Income Statement
For the Year Ended March 20, 2014

	Note	March 20, 2014		Restated
				March
		IRR million	IRR million	2013 ,20
				IRR million
Income from Joint Activities				
Interest on Loans and Facilities	30		11,912,988	8,174,154
Interest on Deposits and Income from Investments	31		1,795,137	2,112,843
			13,708,125	10,286,997
Interest paid on Investment Deposits	32	(9,596,980)		(6,438,442)
Difference in Accrued and Prepaid Interest on Investment Deposits	33	(150,534)		(636,532)
Depositors' Share in Income from Joint Activities			(9,747,514)	(7,074,975)
Bank's Share in Income from Joint Activities			3,960,611	3,212,022
Income from Non-joint Activities				
Interest on Loans and Facilities	30	776,188		518,571
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Commission Income	34	710,057		511,168
Income from Currency Exchange Transactions	35	231,427		193,146
Other Income	36	354,971		326,013
			2,159,558	1,592,504
Total Income			6,120,169	4,804,526
Expenses				
General and Administrative Expenses	37	(1,224,117)		(927,703)
Loan Loss Provisions Expense	38	(352,199)		(334,135)
Financing Expense	39	(137,103)		(32,952)
Commission and Other Expenses	40	(186,111)		(181,672)
			(1,899,530)	(1,476,461)
Interest before Considering Group's Quota from Interest of Affiliated Companies			4,220,639	3,328,066
Group's Quota from Interest of Affiliated Companies			115,540	18,908
Net Profit before Tax			4,336,178	3,346,974
Tax			(646,324)	(427,700)
Net Profit before Minority Interest			3,689,854	2,919,274
Minority Interest from Net Profit			(4,313)	(3,480)
Net Profit			3,685,542	2,915,793
Earnings per Share:				
Primary Earnings per Share – IRR	51		508	402
Diluted Earnings per Share – IRR	51		451	360
Retained Earnings Statement				
Net Profit			3,381,134	2,794,547
Retained Earnings - Opening Balance		2,924,053		2,045,690
Prior Period Adjustments	41	(239,633)		307,135
Adjusted Opening Retained Earnings			2,684,420	1,738,555
Allocable Profit			6,065,554	4,533,102
Profit Allocation:				
Ratified Dividend		(2,337,500)		(675,000)
Capital Increase from Retained Earnings & Revaluation Surplus		0		(750,000)
Bonus of the Board of Directors		(4,500)		(4,500)
Statutory Reserve	28	(507,170)		(419,182)
Allocated Profit			(2,849,170)	(1,848,682)
Retained Earnings - Closing Balance			3,216,384	2,684,420

Since the Comprehensive Income Statement is limited to the profit for the period and prior years' adjustments, the Comprehensive Income Statement is not presented.

The explanatory notes are an integral part of the parent company financial statements.

**Karafarin Bank (PJSC)
Cash Flows Statement
For the Year Ended March 20, 2014**

	Note	March 20, 2014		March 20, 2013
		IRR million	IRR million	IRR million
Operating Activities				
Net Cash Inflow from Operating Activities	42		8,088,099	8,449,480
Return on Investments and Servicing of Finance				
Dividends Received		232,259		55,017
Interest Paid		(19,325)		(45)
Dividends Paid		(1,183,350)		(675,316)
Net Cash Outflow for Returns on Investments and Servicing of Finance			(970,416)	(620,344)
Taxation				
Income Tax Paid			(716,364)	(515,231)
Investment Activities				
Purchase of Investments		(2,726,238)		(1,068,297)
Purchase of Tangible Fixed Assets		(1,748,114)		(1,915,494)
Purchase of Intangible Assets		(12,677)		(353,827)
Sales of Investments		1,507,565		919,584
Sales of Tangible Fixed Assets		252,330		810
Net Cash Outflow from Investment Activities			(2,727,133)	(2,417,224)
Net Cash Inflow (Outflow) before Financing Activities			3,674,185	4,896,681
Financing Activities				
Capital Increase		80,423		0
Repayment of Principal on Financial Facilities		0		(186,981)
Net Cash Inflow (Outflow) from Financing Activities			80,423	(186,981)
Net Cash Inflow			3,754,608	4,709,700
Effect of Foreign Exchange Differences			231,427	193,146
Net Increase in Cash			3,986,035	4,902,846
Cash - Opening Balance	43		13,308,791	8,405,945
Cash - Closing Balance	43		17,294,826	13,308,791
Non-cash Transactions	43-1		1,718,316	0

The explanatory notes are an integral part of the parent company financial statements.

Karafarin Bank (PJSC)
Notes to the Consolidated Financial Statements
For the Year Ended March 20, 2014

1. HISTORICAL BACKGROUND OF ACTIVITIES

1.1. Overview

Group includes Karafarin Bank (Parent Company) and its subsidiary companies.

The Bank was established and commenced its operations following registration at the Tehran Company and Industrial Ownership Registrar Office on December 9, 1999 under registry number 157915 as *Karafarinan Non-bank Credit Institution* (PJSC). The enactment of the Non-state Bank Establishment Act on 9 April 2000, the endorsement of Article 98 of the Act on the Economic, Social, and Cultural Development Plan of Iran, and the implementation of the Non-state Bank Establishment Regulation of the Money and Credit Council as endorsed on 11 December 2000, collectively laid the foundations for the establishment of the Bank. Based on a resolution of the Extraordinary General Assembly meeting of 29 November 2001 and CBI operating license number H/3362 (5 December 2001), *Karafarin Bank* (PJSC) was formally established and registered under the same licence number with the Tehran Company and Industrial Ownership Registrar Office on 26 December 2001. The Bank gained listing on the Tehran Stock Exchange on February 6, 2003 and has been consistently included on the TSE price quote list since 5 July 2003. The Bank's head office is based at No. 97, West Nahid Street, Vali-Asr Avenue, Tehran IRAN.

1.2. Principal Activities

According to Clause 2 of its Articles of Association, the Bank's principal activities include, among other areas, the following areas:

- ▶ Taking all forms of bank deposits including current account deposits with cheque books
 - ▶ Issuing bearer or registered certificates of term investment deposits
 - ▶ Granting credit facilities within the legal framework, regulations and bylaws, and implementation guidelines of the Act on Usury-Free Banking Operations
 - ▶ Opening letters of credit and engaging in all forms of foreign exchange transactions
 - ▶ Issuing and trading participation securities for the Bank or on behalf of other persons in accordance with the rules and regulations of the CBI
 - ▶ Receiving financial facilities from real and legal persons in accordance with standing rules and regulations
 - ▶ Issuing letters of guarantee and endorsing and underwriting securities including participation securities and accepting to service its commitments including principal and interest components
 - ▶ Operating safe deposit boxes
 - ▶ Granting financial facilities for the export of technical and engineering services
 - ▶ Participating and investing directly or through share acquisition on stock exchanges, in manufacturing, service, and business projects and companies, within the confines defined by the CBI's bylaws and also the Act on Usury-Free Banking Operations
- And other related activities with the subject of the Company.

The Bank aims at consolidating financial resources that are available through its deposits, financial facilities, and its other forms of financial instruments, and utilising these resources by granting quality loans and facilities and effectively investing in different lines of business and economic activity.

Karafarin Bank (PJSC)
Notes to the Consolidated Financial Statements
For the Year Ended March 20, 2014

1.3. Number of Branches

Information on the Bank's branches at the end of 20 March 2014 is reported as follows.

	March 20, 2014	March 20, 2013
Branches- Tehran Province	50	43
Branches- Other Provinces	47	44
Branches- Free Zones	1	1
Branches- International	-	-
	98	88

1.4. Employees

The number of employees at the end of 20 March 2014 is reported as follows.

	March 20, 2014	March 20, 2013
Head Office	535	513
Branches- Tehran Province	480	446
Branches- Other Provinces	532	528
Contract Employees of the Service Companies	233	236
	1,780	1,723

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group and the financial statements of the Parent Company (the Bank) have been prepared on the basis of historical cost and using fair market values, wherever applicable.

3. BASIS FOR THE CONSOLIDATION

3.1. The consolidated financial statements are the composition of financial statement items for Karafarin Bank (PJSC) and its subsidiary companies liable to consolidation. These entities are collectively subject to consolidation and presentation in the form of an individual reporting entity after the required elimination of intercompany transactions and outstanding balances, and adjustments for any unrealised intergroup gains or losses.

Subsidiaries subject to consolidation are:

- ▶ Karafarin Bank Leasing Company
- ▶ Omid Karafarin Trade Development Company
- ▶ Karafarin Bank Bureau de Change
- ▶ Karafarin Abineh Gostar Company
- ▶ Karafarin Bank Brokerage Company
- ▶ Karafarin Amin Etemad Company
- ▶ Karafarin Bank Investment Company
- ▶ Karafarin Asr-e-Amin Company

Karafarin Bank (PJSC)
Notes to the Consolidated Financial Statements
For the Year Ended March 20, 2014

3.2. Operation results of subsidiary companies which have been acquired during the reporting period, transferred to the Parent Company as of the date of their effective takeover and operation result prior to the date of takeover show the Consolidated income statement.

3.3. Company's shares acquired by subsidiary companies are booked in the accounts at historical cost and are presented as a contra-equity account under "company shares held by subsidiaries" on the group's consolidated balance sheet.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1. Investments

Long-term Investments	Group Consolidated Accounts	Company Accounts
Investments in consolidated subsidiaries	Subject to consolidation	Historical cost (less any provisions for impairment)
Investments in affiliated companies	Equity method	Historical cost (less any provisions for impairment)
Other long-term investments	Historical cost (less any provisions for impairment)	Historical cost (less any provisions for impairment)

Current Investments:

Long-term Investments	Group Consolidated Accounts	Company Accounts
Investments in trading securities	Lower of cost and net realisable value on an aggregate portfolio basis	Lower of cost and net realisable value on an aggregate portfolio basis
Other short-term investments	Lower of cost and net realisable value on the basis of individual investments	Lower of cost and net realisable value on the basis of individual investments

Revenue Recognition Method:

Long-term Investments	Group Consolidated Accounts	Company Accounts
Investments in consolidated subsidiaries	Subject to consolidation	On approval of profits by the investee's shareholders' general assembly (up to the endorsement date of the accounts)
Other current and long-term investments	On approval of profits by the investee's shareholders' general assembly (up to the balance sheet date)	On approval of profits by the investee's shareholders' general assembly (up to the balance sheet date)

Karafarin Bank (PJSC)
Notes to the Consolidated Financial Statements
For the Year Ended March 20, 2014

4.2. Tangible Fixed Assets

4.2.1. All tangible fixed assets, except for land and goodwill (see note 4.2.2. below), are recorded at historical cost in the accounts. Any expenditure incurred for improvements and major repairs of a fixed asset that lead to a significant extension of its useful life or to a material improvement in its performance quality, is capitalised and subsequently depreciated over the remainder of the asset's useful life. Maintenance costs and minor repairs are expensed as incurred and reported as part of the period's profit and loss account.

4.2.2. Land and goodwill are both measured and reported on a revaluation basis. The frequency of asset revaluations in the Bank is five years. The process is conducted by independent valuation experts.

4.2.3. Depreciation on tangible fixed assets is based on the Depreciation Charts of Section 151 of Direct Taxes Act. The rates and methods applied are as follows.

Asset	Depreciation Rate and Method
Buildings and Utility Equipment	7% Declining Balance
Automotive Vehicles	25% and 35% Declining Balance
Computer Systems' Hardware	3 and 10 years Straight Line
Automated Teller Machines	10 years Straight Line
Furniture and Fixtures	10 years Straight Line
POS	10 years Straight Line

Fixed assets that are acquired and operationalized during any given month over the year will be accounted for and depreciated as of the start of the next calendar month. In cases where a depreciable fixed asset remains unutilised due to, for example, closure of operations or for other reasons, depreciation for idle periods is accounted for at 30 percent of the rates outlined in the Depreciation Charts of Section 151 of Direct Taxes Act.

4.3. Intangible Assets

All intangibles are reflected in financial statements at historical cost of acquisition after deduction of accumulated depreciation and devaluation. According to CBI Circular MB/2946 of 7 March 2007, administrative and operations software are amortised using the straight line method over a 5-year period. Goodwill is no longer subject to any amortisation.

Karafarin Bank (PJSC)
Notes to the Consolidated Financial Statements
For the Year Ended March 20, 2014

4.4. Income Recognition on Facilities, Commissions and Penalties

According to Circular MB/772 dated 18 July 2005 of Banking Studies & Regulations of CBI and based on the ratification 1044 dated 16 July 2005 of Money & Credit Council, income recognition of the Bank is based on commitment method.

Income	Recognition method
Interest on loans and financial facilities	Based on time, principal balance and minimum expected interest rate
Penalties	Based on time, outstanding amount and penalty rate

4.5. Basis for Determination of Depositors' Share of Income from Joint Activities

In compliance with the requirements promulgated in Iran's Act on Usury-Free Banking Operations of 30 August 1983 and its operational and implementation guidelines and also CBI Circular MB/1799 of 8 January 2004, all income from loans and financial facilities and investments in shares and participation securities that are accounted for under the Bank's accounting and financial reporting procedures will be recognised as income from joint activities. Depositors' share of such income is based on their net resources contributed to the income-generating activities, which will then be credited to their accounts after appropriate deductions for the Bank's procurement and agency fees. It is noteworthy that for outstanding and doubtful instalments commitment profit is not recognized.

4.6. Classification of Financial Facilities

The Bank evaluates and classifies its financial facilities in accordance with the requirements presented in the "Banks and Credit Institutions Asset Classification Manual" of the Money and Credit Council (also referred to in CBI Circular MB/2823 dated 24 February 2007 of the Office of Banking Studies and Regulations) and also based on customers' creditworthiness and their economic ability as demonstrated by such factors as late repayments, customer financial position and the economic state of the customer's line of business activity. This approach leads to the following classes for financial facilities.

A) Current Facilities: Financial facilities for which principal and interest have been serviced on the due date or facilities that have been past due for less than 2 months.

B) Past Due Facilities: Financial facilities for which repayment of principal and interest has been outstanding and/or facilities which have been non-performing for over 2 but less than 6 months.

C) Non-performing Facilities: Financial facilities for which repayment of principal and interest has been outstanding and/or facilities which have been non-performing for over 6 but less than 18 months and the customer has not yet made any clear attempt to repay outstanding amounts.

D) Doubtful Facilities: Financial facilities that have been outstanding for over 18 months and for which the customer has yet made not clear attempt to repay outstanding amounts.

Karafarin Bank (PJSC)
Notes to the Consolidated Financial Statements
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4.7. Provisions for Loan Losses

Doubtful facilities are provided for in accordance with the requirements of the “Banks and Credit Institutions Doubtful Debts’ Provisions Manual” of the Money and Credit Council (also referred to in CBI Circular 91/21270 of 19 April 2012 of the Office of Banking Studies and Regulation). This approach leads to the following classes of provisions.

- ▶ *General provisions* at 1.5% of total facilities’ balances after deduction of those facilities that are subject to special provisions.
- ▶ *Special provisions* for the balance of past due, non-performing, and doubtful financial facilities. This is calculated based on the factors outlined in the following table after accounting for the value of security attributable to each individual facility.

Facility type	Factor
Past Due Facilities	10%
Non-performing Facilities	20%
Doubtful Facilities (based on customer-specific assessments of repayment ability)	50 to 100%
Doubtful Facilities Outstanding for 5 Years or More	100%

For those facilities which their due date was more than five years ago, a special provision is calculated without considering security.

4.8. Provisions for Employees’ Termination Benefits

Provisions for termination benefits are accounted for based on one month of employees’ latest base salary and continued benefits for each year of their service with the Bank.

4.9. Accounting for Changes in Currency Exchange Rates

Foreign currency monetary items will be exchanged at official rate at the date of balance sheet and non-monetary items registered in foreign currency based on historical cost, will be exchanged at official rate at the date of transaction. The differences in the settlement or the exchange of foreign currency monetary items are identified as income or periodical expenses and will be reflected in Income Statement.

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5. CASH

Items comprising the consolidated and parent company cash balance reported on the balance sheet date are as follows.

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Vault Cash – Foreign Currency	381,130	26,701	378,700	26,701
Vault Cash – IRR	278,978	140,509	279,206	139,274
Other	2,838	3,096	2,558	2,026
	662,946	170,306	660,464	168,001

5.1. Vault cash is held by the Bank's branches at year end. Insurance coverage for vault cash against potential risks arising from theft or fire is fully provided by Karafarin Insurance Company.

6. DUES FROM THE CENTRAL BANK OF IRAN

	Note	Group		Company	
		March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
		IRR million	IRR million	IRR million	IRR million
Statutory Deposit	(6-1)	9,327,283	6,349,675	9,327,283	6,349,675
Current Account with the CBI		305,826	457,177	305,826	457,177
Others	(6-2)	1,011,685	746	1,011,685	746
		10,644,794	6,807,598	10,644,794	6,807,598

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6.1. Legal reserves held at the CBI in execution of Clause 3 of Article 14 of the Monetary & Banking Act and are calculated in accordance with the rates determined by the Monetary & Credit Council and approved by the CBI. The mentioned legal reserve are as follows.

	March 20, 2014		March 20, 2013	
	Rate (Percent)	IRR million	Rate (Percent)	IRR million
Demand Deposits	17%	270,667	17%	724,165
Gharz-al-Hassaneh Savings Deposits	10%	269	10%	240
Short-term & Special Short-term Deposits	15.5%	4,456,616	15.5%	2,272,652
1-year Long-term Deposit	15%	2,352,752	15%	90,287
2-year & 3-year Long-term Deposits	11%	358,317	11%	772,254
4-year & 5-year Long-term Deposits	10%	1,618,330	10%	2,254,792
Other Deposits include Guarantees & L/C Advances Received	17%	270,332	17%	235,285
		9,327,283		6,349,675

6.2. This amount is related to purchase of EUR835,750 and JPY4,084 million from the Central Bank of Iran received on March 22, 2014.

6.3. Towards the end of 2011-12 period, the Central Bank of the Islamic Republic of Iran (CBI), indebted the Karafarin Bank (this was also the case with all Iranian banks and Karafarin Bank's position was better than other banks) in the amount of IRR741 billion due to the difference in currency rates. In executing the resolution of CBI's executive board and in assessing the truth regarding withdrawals from the banks' accounts, the CBI requested the submission of relevant documents and evidence by July 6, 2014 at the latest. Based on the existing records in the CBI inspectors' initial report (during 2012-13 period), of the total withdrawals, IRR4,544 had to be returned to the Bank. However, having submitted evidence and appealed against the said withdrawal, the Bank believes that the full withdrawn amount should be refunded to it.

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7. DUES FROM BANKS AND CREDIT INSTITUTIONS

	Note	Group		Company	
		March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
		IRR million	IRR million	IRR million	IRR million
Accounts with Banks and Credit Institutions-LCY	(7-2)	11,937,195	7,545,081	11,937,107	7,545,081
Accounts with Banks and Credit Institutions-FCY	(7-1)	3,444,530	5,150,371	3,379,744	5,138,531
		15,381,725	12,695,452	15,316,851	12,683,612

7.1. IRR deposit held with banks are as follows:

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Bank Sarmayeh	2,500,000	1,000,014	2,500,000	1,000,014
Bank Sina	0	1,500,000	0	1,500,000
Bank Ansar	0	1,300,000	0	1,300,000
Bank Parsian	0	1,000,000	0	1,000,000
Other Banks	944,530	350,357	879,744	338,517
	3,444,530	5,150,371	3,379,744	5,138,531

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7.2. Foreign currency deposits at the date of balance sheet which include demand deposits based on type of foreign currency, type of deposit, local and foreign banks are as follows.

	US Dollar		Euro		Indian Rupiah		Japan Yen		Dirham		China Yuan		Turkish Lira		South Korea Won		Other Foreign Currencies		Total IRR Equivalent	
	FX Amount	IRR Equivalent	FX Amount	IRR Equivalent	FX Amount	IRR Equivalent	FX Amount	IRR Equivalent	FX Amount	IRR Equivalent	FX Amount	IRR Equivalent	FX Amount	IRR Equivalent	FX Amount	IRR Equivalent	FX Amount	IRR Equivalent		
<i>Local Banks:</i>																				
Bank Mellat	131,445	3,300	35,230,091	1,231,151	0	0	2,227,985	0	15,228	0	0	0	0	0	0	0	0	1,250	0	1,250,928
Bank Parsian	741,276	18,608	4,008,142	140,069	62,399	26	86,840	350,854,234	86,840	0	0	0	0	0	0	0	0	0	0	245,542
Bank Saderat	35,523	892	2,863,964	100,084	0	0	0	0	0	0	0	0	0	0	0	0	0	18,251	0	119,227
Bank Saman	1,011,500	25,391	2,636,800	92,146	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	117,536
Other Banks	38,642,433	919,799	22,066,674	771,142	18,310,819	7,526	16,525,636	112,953	1,137,876	4,609	0	0	0	0	0	0	0	8,045	0	1,824,074
	38,562,178	967,988	66,805,671	2,334,591	18,373,218	7,552	18,753,621	86,940	1,137,876	4,609	0	0	0	0	0	0	0	27,546	0	3,557,306
<i>Foreign Banks:</i>																				
Mizuho Bank Japan	0	0	0	0	0	0	16,404,322,041	4,060,234	0	0	0	0	0	0	0	0	0	0	0	4,060,234
Halk Bankasi Turkey	0	0	51,718,970	1,807,371	0	0	0	0	0	0	0	0	3,608,443	40,779	0	0	0	0	0	1,848,150
Bank of Kunlun China	0	0	24,092,025	841,920	0	0	0	0	0	0	152,298,401	616,809	0	0	0	0	0	0	0	1,458,728
Woori Bank South Korea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7,701,679,209	180,289	0	0	180,289	
UCO Bank India	0	0	0	0	1,257,116,640	516,675	0	0	0	0	0	0	0	0	0	0	0	0	0	516,675
Other Banks	1,943	49	3,130,856	109,411	1,943	49	14,553,567	137,838	9,935	3,496,127	14,159	0	0	0	59,095,844	1,383	42,901	0	315,725	
	1,943	49	78,941,853	2,768,702	1,257,118,583	516,724	1,453,567	4,198,072	9,935	155,794,528	630,968	3,608,443	40,779	7,760,775,053	181,672	42,901	70,447	0	8,379,801	
	38,564,121	968,037	145,747,524	5,093,293	1,275,491,801	524,276	20,207,188	4,284,912	138,116	156,932,404	635,577	3,608,443	40,779	7,760,775,053	181,672	70,447	0	0	11,937,107	

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8. LOANS AND FACILITIES

The Bank's financial products in Islamic (*Shariah*-based) contracts as at the statement of financial position date consist of the following items.

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
<i>Morabebeh</i> (Instalment Sales)	85,106	103,683	85,106	103,683
<i>Joala</i> (Commissions-based Services)	664	2,075	664	2,075
<i>Ijara Thumma al-Bai</i> (Hire Purchase)	875,223	450,387	14,856	18,619
<i>Mozarabeh</i> (Retail/Corporate Banking)	6,031,815	5,575,171	6,031,815	5,575,171
<i>Mosharekat-e-Madani</i> (Joint Partnership)	44,910,554	30,334,352	44,910,554	30,334,352
Non-IRR Products	580,202	842,406	580,202	842,406
Personnel Facilities	1,000,822	960,326	1,000,822	960,326
Overdue Facilities	726,451	1,933,504	726,451	1,933,504
Differed Facilities	2,607,481	1,920,651	2,607,481	1,920,651
Doubtful Facilities	3,023,484	2,598,721	3,023,484	2,598,721
Total	59,841,802	44,721,275	58,981,435	44,289,508
<i>Mozarebeh & Mosharekat-e-Madani</i> Funds Received	(2,203,080)	(1,540,473)	(2,203,080)	(1,540,473)
Profit of Future Years	(623,015)	(568,256)	(623,015)	(568,256)
Loan Loss Provisions- General	(919,002)	(709,731)	(905,525)	(702,706)
Loan Loss Provisions- Loan Specific	(1,181,377)	(1,041,580)	(1,181,377)	(1,041,580)
Total	54,915,327	40,861,235	54,068,438	40,436,492
Debtors of Paid L/Cs	40,934	685,492	40,934	685,492
Doubtful Debts of Paid L/Cs	549,583	826,030	549,583	826,030
Debtors of Paid Guarantees	9,881	31,796	9,881	31,796
Doubtful Debts of Paid Guarantees	316,080	389,079	316,080	389,079
Net Facilities	55,831,805	42,793,632	54,984,915	42,368,889
Debtors of Profit Receivable of Facilities	3,296,227	2,723,079	3,296,227	2,723,079
Debtors of Profit Receivable of Paid L/Cs	282	10,817	282	10,817
Total Facilities	59,128,314	45,527,528	58,281,424	45,102,785

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8.1. Loans and facilities based on related principle, interest and provisions.

	Group				Company		
	March 20, 2014	March 20, 2013	Balance	Profit of Future Years	Provision for Doubtful Debts	March 20, 2014	March 20, 2013
	Net	Net				Net	Net
IRR million	IRR million	IRR million	IRR million	IRR million	IRR million	IRR million	
<i>Mobareheh</i> (Instalment Sales)	679,621	627,423	1,197,442	(490,089)	(27,732)	679,621	627,423
<i>Joale</i> (Commissions- based Services)	134,693	90,263	178,551	(39,016)	(4,842)	134,693	90,263
<i>Ijara Thumma al-Bai</i> (Hire Purchase)	868,086	440,771	48,021	(17,877)	(8,947)	21,196	16,028
<i>Salaf</i>	48,410	22,344	49,957	0	(1,547)	48,410	22,344
<i>Mozarabeh</i> (Retail/Corporate Banking)	6,744,448	6,146,611	7,018,126	0	(273,678)	6,744,448	6,146,611
<i>Mosharakat-e- Madani</i> (Joint Partnership)	45,191,385	32,175,716	46,719,827	0	(1,528,442)	45,191,385	32,175,716
Non-IRR Products	1,721,269	1,854,290	1,872,629	(76,033)	(75,326)	1,721,269	1,854,290
Debtors for Paid L/Cs	549,361	1,483,734	590,518	0	(41,157)	549,361	1,483,734
Debtors for Paid Guarantees	11,477	417,829	19,760	0	(8,284)	11,477	417,830
Other Facilities	1	79	0	0	1	1	77
Debtors for Facilities Profit	3,179,562	2,268,469	3,296,509	0	(116,946)	3,179,562	2,268,469
	59,128,314	45,527,528	60,991,340	(623,015)	(2,086,902)	58,281,424	45,102,785

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8.2. Disaggregation based on type of financial facilities according to the Money and Credit Council's Classification Manual is outlined in the following table:

Company 20 March 2014					
Facilities	Current	Past Due	Non-perform- ing	Doubtful	Total
	IRR million	IRR million	IRR million	IRR million	IRR million
<i>Morabebeh</i> (Instalment Sales)	1,071,813	4,868	22,110	98,650	1,197,442
<i>Joaleh</i> (Commissions-Based Services)	664	297	23,298	154,292	178,551
<i>Ijara Thumma al-Bai</i> (Hire Purchase)	29,071	3,313	5,359	10,278	48,021
<i>Bai' al-Salaf</i> (Forward Contracts)	-	143	-	49,814	49,957
<i>Mozarebeh</i> (Retail/Corp. Banking)	5,670,063	78,926	297,852	971,285	7,018,126
<i>Mosharekat-e-Madani</i> (Joint Partnership)	43,245,856	530,885	1,074,454	1,868,632	46,719,827
Non-IRR Products	580,202	108,019	1,184,408	-	1,872,629
Debtors for Paid L/Cs	40,934	-	-	549,583	590,518
Debtors for Paid Guarantees	9,881	-	-	9,880	19,761
Debtors for Facilities Profit	2,107,963	106,929	331,967	749,650	3,296,509
	52,756,448	833,380	2,939,449	4,462,064	60,991,340
Less					
Unearned Income	(623,015)	-	-	-	(623,015)
Loan Loss Provisions-General	(732,754)	(68,491)	(35,873)	(68,407)	(905,525)
Loan Loss Provisions-Loan Specific	-	(196,883)	(169,066)	(815,428)	(1,181,377)
	51,400,679	568,006	2,734,509	3,578,229	58,281,424

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8.3. Financial facilities based on maturity and interest rate are disaggregated as follows.

Facilities	March 20, 2014						March 20, 2013	
	Interest Rate						Total	Total
	Over 24%	21-24%	18-21%	15-18%	12-15%	12% and Less		
	IRR million	IRR million	IRR million	IRR million	IRR million	IRR million	IRR million	IRR million
Past Dues	3,673,069	752,184	4,706	5,396	-	87,358	4,522,714	9,643,790
2013-14	5,092,676	13,873	3,441	-	-	753,051	5,863,040	35,321,183
2014-15	46,582,957	920,948	-	171	1,005	378,055	47,883,136	123,976
2015-16	7,667	-	-	-	-	-	7,667	10,283
2016-17	2,493	87	-	-	-	-	2,580	2,957
2017-18 and after	2,288	-	-	-	-	-	2,288	596
	55,361,149	1,687,092	8,147	5,567	1,005	1,218,464	58,281,424	45,102,785

8.4. Financial facilities to other people based on type of pledge.

	March 20, 2014	March 20, 2013
	IRR million	IRR million
Land, Building & Machineries	23,423,723	18,950,844
Stock	11,338,088	9,609,730
Check & Promissory Note	21,764,413	14,708,060
Participation Bond & Deposit	1,302,379	895,554
Other Assets	452,822	938,596
	58,281,424	45,102,785
Without Pledge	-	-
	58,281,424	45,102,785

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9. DEBTORS FOR TERM LETTERS OF CREDIT

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Debtors for Foreign Currency L/Cs & Term Bills	135,428	526,748	135,428	526,748
Less: General Provision for Doubtful Debts	(2,031)	(7,901)	(2,031)	(7,901)
Net Debtors for Foreign Currency L/Cs & Term Bills	133,397	518,847	133,397	518,847

The following heading includes the opening of term letters of credit for which the parties are committed to settle at the maturity date. It is noteworthy that the amount of credit is paid to the correspondent on the maturity date and the related debtors on the above heading, are transferred to the heading of paid letter of credit.

10. ACCOUNTS RECEIVABLE

	Note	Group		Company	
		March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
		IRR million	IRR million	IRR million	IRR million
Sundry Debtors – LCY	(10-1)	523,001	315,864	1,107,695	825,621
Sundry Debtors – FCY	(10-2)	633,288	161,808	633,287	161,808
Prepayments	(10-3)	315,301	22,759	133,784	8,317
		1,471,590	500,431	1,874,766	995,747

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10.1. Sundry debtors (local currency- IRR) include the following items.

	Note	Group		Company	
		March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
		IRR million	IRR million	IRR million	IRR million
Dividend Receivable	(10-1-1)	63,419	91,016	505,209	491,699
Stock Brokerage		0	11,018	214,736	11,018
Karafarin Bank Investment Co.		0	0	176,101	198,806
Accrued Interest - Participation Securities	(10-1-2)	14,461	16,088	14,461	16,088
Others		445,121	197,742	197,188	108,010
		523,001	315,864	1,107,695	825,621

10.1.1. Dividend receivable is as follows:

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Group Member Companies:				
Karafarin Bank Investment Co.	0	0	279,494	276,946
Karafarin Leasing Co.	0	0	112,406	102,406
Karafarin Bureau de Change	0	0	21,996	80,000
Karafarin Bank Brokerage Co.	0	0	24,000	14,000
Karafarin Asr-e-Amin Insurance Co.	0	0	2,277	2,277
Abineh Gostar Co.	0	0	1,617	637
Karafarin Insurance Co.	19,198	0	19,197	0
	19,198	0	460,987	476,266

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	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
TSE Companies:				
Pardis Petrochemical	2,398	6,050	2,398	6,050
Ghadir Investment	9,404	6,020	9,404	6,020
Sepah Investment	1,115	1,135	1,115	1,135
Civil Pension Fund	3,027	783	3,027	783
Kordestan Cement	507	588	507	588
Fars & Khuzestan Cement	113	587	113	587
Sepahan Cement	320	285	320	270
Parsian Oil & Gas Development	15,596	0	15,596	0
Persian Gulf Petrochemical Industries	5,844	0	5,844	0
Esfahan Mobarakeh Steel	1,625	0	1,625	0
Bandar Abbas Oil Refinery	870	0	870	0
Bank Saderat	751	0	751	0
Tehran Cement Co.	477	0	477	0
Iran Chemical Industries	471	0	471	0
MAPNA	470	0	470	0
Darab Cement	325	0	325	0
Tabriz Oil Refinery	270	0	270	0
Hegmatan Cement	264	0	264	0
Iran Transfo	174	0	174	0
National Iranian Copper Industries Co.	110	0	110	0
Behshahr Industries Development	75	0	75	0
Sahand Rubber Industries	10	0	10	0
Tehran Oil Refinery	6	0	6	0
Others	0	75,568	0	0
	44,222	91,016	44,222	15,433
	63,419	91,016	505,209	491,699

10.1.2. This figure represents accrued interest on participation securities that have been accounted for and recognised under the accrual method.

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10.2. Sundry debtors (foreign currency) include the following items:

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Our Foreign Currency Cheques	211,394	127,474	211,394	127,474
Debts of Clients - Trading Foreign Currency	29,206	0	29,206	0
Foreign Currency Facilities	4,282	0	4,282	0
Foreign Currency Securities Received Deposit	0	936	0	936
Others	388,407	33,398	388,406	33,398
	633,288	161,808	633,287	161,808

10.3. Prepayments as at the balance sheet date comprise the following items:

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Rent, Repair & Maintenance of Building	129,440	502	129,440	502
Employees' Welfare Scheme	3,813	2,938	3,692	2,594
Computer Systems	288	313	288	313
Advertising Contracts	125	125	125	125
Printing	41	4,745	41	4,745
Foreign Orders	117,671	0	0	0
Others	63,923	14,136	198	38
	315,301	22,759	133,784	8,317

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11. PARTICIPATION SECURITIES & FUNDS WITH FIXED INCOME

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Middle East Holding	1,000,000	0	1,000,000	0
Water and Sewerage	0	372,000	0	372,000
Pars Oil and Gas	0	1,022,510	0	1,022,510
	1,000,000	1,394,510	1,000,000	1,394,510
Amin Karafarin Investment Fund	66,756	185,492	63,517	63,517
Arman Karafarin Investment Fund	46,852	25,110	23,500	23,500
Karafarin Brokerage Investment Fund	13,950	62,765	0	0
	127,558	273,367	87,017	87,017
Total	1,127,558	1,667,877	1,087,017	1,481,527

The breakdown of the Bank's Investment Funds at the date of balance sheet is as follows:

	Interest Rate	Nominal Value IRR million
Amin Karafarin Investment Fund	20%	63,517
Arman Karafarin Investment Fund	20%	23,500
		87,017

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12. INVESTMENTS

	Note	Group		Company	
		March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
		IRR million	IRR million	IRR million	IRR million
Short-term Investments	(12-1)	2,339,382	683,094	2,332,639	675,821
Long-term Investments	(12-2)	1,029,092	826,403	479,771	482,121
		3,368,474	1,509,497	2,812,410	1,157,942

12.1. Investments in marketable securities are grouped as follows on the balance sheet date. All amounts are in IRR million:

Group	Group		Company	
	March 20, 2014		March 20, 2013	
	Historical Cost	Market Value	Historical Cost	Market Value
	IRR million	IRR million	IRR million	IRR million
Oil Products	843,144	1,425,050	842,745	1,425,050
<i>Sokuk</i>	450,220	450,040	450,220	450,040
Banks, Credit Institutes & Other Monetary Organizations	375,436	491,989	369,717	491,989
Chemical Products	265,392	325,797	265,392	325,797
Base Metals	258,108	317,265	258,108	317,265
Multi-functional Industrial Companies	90,986	136,277	90,982	136,277
Cement, Iron & Plaster	15,967	17,446	15,967	17,446
Oil & Gas Extraction & Side Services	12,077	26,263	12,077	26,263
Automobile & Production of Parts	10,798	7,866	10,798	7,866
Insurance	1,850	2,974	1,838	2,974
Foodstuff Industries	9,623	9,078	9,014	9,078
Transportation	2,558	0	2,558	1,857
Pharmaceutical Industries	3,115	0	3,115	3,668
Financial Investment	108	137	108	137
	2,339,382	3,210,182	2,332,639	3,215,707

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12.2. The balance of long-term investments is as follows:

Investee Companies	Investees' Total No. of Shares	Shares Owned by the Bank	Ownership (%)	Group		Company	
				March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
				IRR million	IRR million	IRR million	IRR million
Karafarin Bank Investment Company (12-2-1)	200,000,000	159,969,000	79.98%	0	0	159,969	159,969
Karafarin Leasing Company	100,000,000	99,999,996	100%	0	0	100,000	100,000
Karafarin Bank Brokerage Company	50,000,000	49,999,996	100%	0	0	50,000	50,000
Karafarin Insurance Company	1,200,000,000	239,969,739	20%	337,028	244,824	109,132	111,097
Karafarin Bureau de Change	20,000,000	19,996,000	99.98%	0	0	19,996	19,996
Abineh Gostar Construction Company	10,000,000	4,899,999	49%	1,021	0	4,900	4,900
Construction of Branches	0	0	0	541,063	531,296	0	0
Karafarin Trade Development	0	0	0	7,506	0	0	0
Amin Etemad Karafarin	0	0	0	700	0	0	0
Mofid Economic Group	0	0	0	105,000	0	0	0
Bourse Kalaye Iran	0	0	0	500	0	0	0
Kardan Company	0	0	0	30,974	30,974	30,974	30,974
Other	0	8,499,998	0	5,300	19,309	4,800	5,185
				1,029,092	826,403	479,771	482,121

12.2.1. The Bank's investment in Karafarin Bank Investment Co. decreased 30% on May 10, 2014. The Bank's ownership percentage in the mentioned company is 49% at the date of this report.

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12.3. Details of Group's subsidiary and affiliated companies are as follows:

	Note	Location Group	Percent of Investment Company		Main Activity
Affiliated Companies:					
Karafarin Insurance Co.	(12-3-1)	Tehran	22/83	20	Issuance of insurances
Subsidiary Companies:					
Karafarin Bank Investment Co.		100	80	80	Investment in shares of companies & institutions
Karafarin Leasing Co.		100	100	100	Cash, instalment & hire purchase sales
Karafarin Bank Brokerage Co.		Tehran	100	100	Trading shares
Karafarin Bureau de Change		Tehran	100	100	Trading foreign currencies, coins gold & silver
Abineh Gostar Karafarin Construction Co.		Tehran	90	49	Implementation of construction projects including renovation
Omid Karafarin Trade Development Co.		Tehran	60	-	All legal trade activities
Amin Etemad Karafarin Co.		Tehran	80	-	Rendering consulting services in all legal economic fields
Quota From Net Assets					
IRR million					
Investment in Affiliated Companies (Karafarin Insurance Co.)	244,824				
Balance at the beginning of the Year	(1,965)				
Abandoned during the Year	0				
Quota from Revaluation of Fixed Assets of Affiliated Company	115,540				
Quota from Profit of Affiliated Companies – Performance of 2012-13 and 6 Months of 2013-14	(21,372)				
Dividend Received during the Year	337,028				

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12.3.1. Having membership on the Board of Directors of the Karafarin Insurance Company, the Karafarin Bank has considerable influence on the said company. Therefore, the Karafarin Insurance Company is considered to be the Bank's subsidiary company.

Based on the financial statements for the period ended March 2014 (until the date of this report, the auditing was not finished) total assets, liabilities, income and net profit of the Karafarin Insurance Company were IRR10,913 billion, IRR9,181 billion, IRR8,184 billion and IRR305 billion respectively.

13. FIXED ASSETS

Table of cost and accumulated depreciation of fixed assets of the Group and the Company is as follows:

Assets	20.03.13		20.03.14		20.03.14		20.03.14		20.03.14		20.03.13	
	1,250,587		2,455,967		2,455,967		274,762		2,455,967		229,236	
	Increase	Decrease	Transfers	Adjustments	Cost - IRR million	Group	Accumulated Depreciation - IRR million	Depreciation of Sold Properties	Book Value - IRR million		Depreciation Expenses	20.03.13
Land			1,205,380									
Building	3,881	(58,543)	97,099		744,430	109,340	13,764	123,104	621,326			592,653
Motor Vehicles	1,181	(841)			7,342	3,915	830	(574)	3,172			3,087
Furniture	260,402	(79,461)			438,728	115,981	31,999	(494)	291,242			141,806
Total	265,464	(138,845)	1,302,479		3,646,467	229,236	46,593	(1,068)	3,371,707			1,988,133
Capital Prepayments	1,108,162	(167,755)	(1,302,479)	(641,419)*	456,321				456,320			1,459,812
Assets under Completion	378,153	(3,404)			784,838				784,838			410,089
Total	1,751,779	(310,004)		(641,419)	4,887,626	229,236	46,593	(1,067)	4,612,864	274,762		3,858,032

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Assets	Company											
	20.03.13	Increase	Decrease	Transfers	Adjustments	20.03.14	20.03.13	Depreciation Expenses	Depreciation of Sold Properties	20.03.14	Book Value – IRR million	
Land	1,629,859	-	-	1,205,380	-	2,835,239	-	-	-	-	2,835,239	1,629,859
Building	545,467	3,822	-	97,099	-	646,388	134,500	32,559	-	167,060	479,328	410,967
Motor Vehicles	5,338	904	(245)	-	-	5,997	3,224	618	(210)	3,632	2,365	2,114
Furniture	247,682	257,073	(79,425)	-	-	425,330	113,056	30,091	(481)	142,666	282,664	134,625
Total	2,428,346	261,799	(79,670)	1,302,479	0	3,912,954	250,780	63,268	(691)	313,358	3,599,596	2,177,565
Capital Prepayments	1,459,813	1,108,162	(167,755)	(1,302,479)	(641,419)*	456,322					456,322	1,459,813
Assets under Completion	410,090	378,153	(3,404)	-	-	784,839					784,839	410,090
Total	4,298,249	1,748,114	(250,829)	-	(641,419)	5,154,115	250,780	63,268	(691)	313,358	4,840,757	4,047,467

* Tangible fixed assets have been fully insured against potential risks from fire, flood and earthquake.

* Of the capital prepayment adjustments, the amount of IRR563,618 million is related to the transfer of purchased properties and their goodwill to the heading of intangible assets. In addition, the amount of IRR77,801 million is related to other asset purchasing.

13.2. The bank's land and goodwill was revalued in 2011-12 period and a difference in the amount of IRR2,043,597 million has been identified under the heading of excess revaluation and classified under the heading of shareholders equity, IRR2,000,000 million of which was allocated to the Bank's capital, following its capital increase on June 12, 2012. Furthermore, the amount of IRR171,099 million is related to identifying the banks share in Karafarin Insurance Company's' (subsidiary company) asset revaluation.

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13.3. Ratio of Net Fixed Assets to Shareholders' Equity

IRR million			
Immovable Assets	3,481,629		
Less:			
Accumulated Depreciation- Immovable Assets	(167,060)		
Net Balance- Immovable Assets		3,314,569	
In-progress Immovable Assets Under Construction		784,838	
Capital Prepayments		452,688	
Repossessed Collateral (Over 2 years)		444,983	
Movable Assets	431,327		
Less:			
Accumulated Depreciation- Movable Assets	(146,298)		
Net Balance- Movable Assets		285,029	
Intangible Assets		3,908,278	
Capital Lease Properties		52,252	
Net Fixed Assets			9,242,638
Equity less Retained Earnings and Unearned Income			10,770,806
Ratio of Net Fixed Assets to Equity less Retained Earnings and Unearned Income			86%
Acceptable Threshold as defined by the CBI			70%

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14. INTANGIBLE ASSETS

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Goodwill	3,736,682	3,173,064	3,736,682	3,173,064
Computer Software Applications	17,364	24,154	15,845	23,115
Deposit for Landline Rights	13,276	2,920	13,126	2,786
	3,767,322	3,200,138	3,765,653	3,198,965

15. OTHER ASSETS

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Repossessed Collateral	690,833	615,460	681,782	606,445
Security Deposit for Rental Buildings	141,411	87,073	140,411	87,073
Inventory of Movable Furniture	15,953	27,465	15,953	27,465
Cheque Book Printing Rights	474	456	475	456
Others	45,108	558	1,739	378
	893,779	731,012	840,360	721,817

16. DUES TO THE CENTRAL BANK OF IRAN

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Foreign Currency Term Deposit	8,778,575	1,793,545	8,778,575	1,793,545
Dues for Purchasing Foreign Currency	913,781	3,148,560	913,781	3,148,561
Dues for Foreign Currency Provision	179,402	155,133	179,402	155,132
	9,871,758	5,097,238	9,871,758	5,097,238

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17. DUES TO BANKS AND CREDIT INSTITUTIONS

Accounts Dues	Note	Group		Company	
		March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
		IRR million	IRR million	IRR million	IRR million
Banks' Deposits Held with Us	(17-1)	1,382,614	501,177	1,382,614	501,177
Banks' Deposits		405,923	889,658	405,923	889,658
Interbank Credits-Cheque Clearing		12,898	8,959	12,898	8,959
Facilities Received form Banks	(17-2)	629,905	262,866	0	0
Others		249,898	325,887	249,898	325,887
		2,681,238	1,988,547	2,051,333	1,725,681

17.1. Banks' deposits held with us are as follows:

Accounts Dues	Note	Group		Company	
		March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
		IRR million	IRR million	IRR million	IRR million
Foreign Currency Term Deposit – Foreign Bank (Future Bank Bahrain – Emirates Dirhams)		1,077,301	498,383	1,077,301	498,383
Banks' Investment Deposits Held with Us	(17-1-1)	305,313	2,794	305,313	2,794
		1,382,614	501,177	1,382,614	501,177

17.1.1. Banks' investment deposits held with us are as follows:

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Eghtesad Novin Bank	300,000	0	300,000	0
Tose'eh Credit Institute	5,297	813	5,297	813
Bank Ayandeh	0	1,962	0	1,962
Other Banks	16	19	16	19
	305,313	2,794	305,313	2,794

17.2. Facilities received of Group companies are mainly related to Karafarin Leasing Co.

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18. DEMAND DEPOSITS

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Current Gharz-al-Hassaneh Deposits- Iranian Rial (LCY)	1,452,101	2,193,094	1,452,101	2,193,094
Current Gharz-al-Hassaneh Deposits- Foreign Currency (FCY)	481,933	179,457	481,933	179,457
Managed Funds- Unutilised Portion	0	1,059	0	1,059
	1,934,034	2,373,610	1,934,034	2,373,610

19. GHARZ-AL-HASSANEH SAVINGS DEPOSITS

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Savings Gharz-al-Hassaneh Deposits- FCY	481,165	268,877	481,165	268,877
Savings Gharz-al-Hassaneh Deposits- LCY (IRR)	7,891	2,488	7,891	2,488
	489,056	271,365	489,056	271,365

20. TERM INVESTMENT DEPOSITS

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Long-term Investment Deposits	35,165,829	31,614,140	35,165,829	31,453,330
Short-term Investment Deposits	20,835,315	12,797,923	21,013,761	13,034,668
Short-term Special Investment Deposits	9,280,534	2,290,992	9,280,534	2,290,991
	65,281,678	46,703,055	65,460,124	46,778,989

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20.1. Term investment deposits based on currency unit are as follows:

	Company					
	March 20, 2014			March 20, 2013		
	IRR	FCY	Total	IRR	FCY	Total
	IRR million					
Long-term Investment Deposits	34,791,164	374,665	35,165,829	31,110,886	342,444	31,453,330
Short-term Investment Deposits	20,896,346	117,415	21,013,761	12,902,279	132,389	13,034,668
Short-term Special Investment Deposits	9,280,534		9,280,534	2,290,991	0	2,290,991
	64,968,044	492,080	65,460,124	46,304,156	474,833	46,778,989

20.2. Non-IRR (FCY) term investment deposits are disaggregated by foreign currency at the balance sheet date as follows:

Currency	Company					
	Long-term		Short-term		Total	
	FCY	IRR million	FCY	IRR million	FCY	IRR million
US Dollar	8,205,950	205,986	1,281,954	32,180	9,487,903	238,166
Euro	4,727,610	165,211	2,398,111	83,804	7,125,721	249,015
British Pound Sterling	54,870	2,286	23,700	987	78,570	3,273
UAE Dirham	173,000	1,182	65,000	444	238,000	1,626
		374,665		117,415		492,080

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20.3. Interest rates on IRR term deposits are outlined in the table below:

Term Deposits	March 20, 2014		March 20, 2013	
	Monthly Profit Payment	Profit Payment on Due Date	Monthly Profit Payment	Profit Payment on Due Date
One-year Deposit	17% - 23%	18%	17%	18%
Two-year Deposit	18% - 21%	43%	18%	43%
Three-year Deposit	18.5% - 24%	73%	19%	73%
Four-year Deposit	19% - 28%	113%	19%	113%
Five-year Deposit	20% - 34%	170%	20%	170%
General Investment Special Certificate of Deposit	20%	-	20%	-
Short-term Deposit	7%-18%	-	7%	-
Special Short-term Deposit	10% -23%	-	10% -16%	-

20.4. The table below presents a classification of term investment deposits by maturity and interest rates:

	March 20, 2014					March 20, 2013
	Over 20%	17% - 20%	12% - 17%	Less than 12%	Total	Total
	IRR million	IRR million	IRR million	IRR million	IRR million	IRR million
Before 2013-14	2,052,317	9,272,827	0	9,607,807	20,932,951	27,150,732
2014-15	25,744,349	445,637	30,250	2,496,305	28,716,541	16,251,447
2015-16	3,211,117	22,560	0	0	3,233,677	1,285,910
2016-17	3,063,108	8,016	0	0	3,071,124	1,422,625
2017-18	3,293,836	17,161	0	0	3,310,997	287,188
2018-19	6,194,834	0	0	0	6,194,834	381,086
	43,559,561	9,766,201	30,250	12,104,112	65,460,124	46,778,989

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20.5. Flow term investment deposits are as follows:

Deposits	Company			
	Balance at 20 March 2013	New Deposits	Principal Re- payment	Balance at 20 March 2014
	IRR million	IRR million	IRR million	IRR million
One-year Deposit	961,773	17,155,355	(3,416,365)	14,700,763
Two-year Deposit	63,198	2,622,861	(952,771)	1,733,288
Three-year Deposit	39,736	12,336	(24,308)	27,764
Four-year Deposit	57,843	9,832	(37,702)	29,973
Five-year Deposit	23,332,185	10,904,692	(18,213,383)	16,023,494
General Investment Special Certificate of Deposit	7,159,405	19,409,574	(23,918,434)	2,650,545
Short-term Deposit	13,034,668	496,979,309	(489,000,216)	21,013,761
Special Short-term Deposit	2,290,991	8,286,200	(1,296,655)	9,280,536
	46,939,799	555,380,159	(536,859,834)	65,460,124

In order to achieve further customer satisfaction and to attract additional resources, the Bank has introduced new banking products such as the *Shamim* Short-term Deposit Account (18% interest), *Shaghayegh* Two-year Deposit Account (20% interest), Special One-Year Deposit Account (21% to 23% interest), *Shokoufeh* Short-term Investment Account (22% interest), *Norouz* Special Three-Month Short-term Account (23% interest) as well as the One-Year Deposit Certificate offering a 20% premium interest rate.

21. OTHER DEPOSITS

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Cash Deposits on L/Gs- IRR	1,508,978	1,213,886	1,508,978	1,213,886
Cash Deposits on L/Gs- FCY	118,910	91,404	118,910	91,404
Customer Prepayments for L/Cs	1,377,690	3,350,726	1,377,690	3,350,726
Others	9,792	8,107	9,792	8,107
	3,015,370	4,664,123	3,015,370	4,664,123

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22. INCOME TAX PAYABLE

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Opening balance	580,962	611,343	564,263	586,768
Provisions for current period performance	646,324	427,700	589,948	382,453
Paid during the reporting period	(734,345)	(458,081)	(716,364)	(404,958)
	492,941	580,962	437,847	564,263

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22.1. Summary of the Bank's tax position over past financial reporting years is described in the table below:

(in IRR million)

Financial Period	Profit (loss) filed by the Bank	Taxable Income Filed by the Bank	20.03.2014 - Taxation				20.03.2013		Assessment Method
			As Filed	As Assessed	Final	Paid	Provision Balance	Provision Balance	
2003-04	156,710	12,177	2,640	29,857	38,441	11,620	0	0	Assessment of Books
2004-05	215,976	35,876	8,072	47,838	37,010	37,010	7,883	7,883	Assessment of Books
2005-06	350,189	83,688	18,830	74,640	71,228	71,228	0	0	Assessment of Books
2006-07	529,949	164,155	36,935	149,490	143,415	143,415	0	0	Assessment of Books
2007-08	819,626	335,500	75,487	214,937	232,622	232,622	0	0	Assessment of Books
2008-09	1,450,215	1,034,006	232,651	356,962	382,062	382,062	0	0	Assessment of Books
2009-10	1,905,660	1,174,394	234,879	366,587	408,273	360,587	0	123,638	Assessment of Books
2010-11	2,033,281	1,103,093	220,616	501,440	411,428	220,619	0	90,272	Assessment of Books
2011-12	2,788,856	1,941,225	388,245	629,956	0	388,245	0	0	Assessment of Books
2012-13	3,177,000	1,912,266	382,453	911,742	0	382,453	0	402,453	Assessment of Books
2013-14	3,971,082	2,949,742	589,948	0	0	100,000	489,948	0	Not Surveyed
Total							497,831	624,247	
Tax Prepayment							(59,984)	(59,984)	
Tax Payable							437,847	564,263	

22.1.1. The corporate tax for the 2002-03 financial year and prior years are final and have been settled.

22.1.2. The final tax assessment for the 2003-04 period has been issued. In line with Article 259 of the Direct Taxation Act, the Bank has paid one-third of the payable taxes and has appealed against the above assessment to the Taxation High Committee.

22.1.3. The final tax assessment for the 2004-05, 2005-06, 2009-10 and 2010-11 periods have been issued. Whilst paying the related taxes, the Bank has submitted its appeal to the Taxation High Committee.

22.1.4. The Bank's appeals against the tax assessments for the 2011-12 until 2012-13 periods are being processed.

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23. INTEREST PAYABLE (TO DEPOSITORS)

	Balance March 20, 2013	Prepaid Advance Interest	Final Interest – Prepaid Advance Interest	Interest Paid During the Period	Balance March 20, 2014
Short-term Deposits	88,935	2,006,805	36,621	(2,084,262)	48,099
Special Short-term Deposit	11,278	427,425	7,800	(438,704)	7,799
One-year Deposit	15,129	1,048,619	19,136	(1,063,747)	19,137
Two-year Deposit	1,399	144,504	2,637	(145,903)	2,637
Three-year Deposit	985	6,687	122	(7,672)	122
Four-year Deposit	1,342	9,010	164	(10,351)	165
Five-year Deposit	520,046	4,606,114	84,054	(5,126,160)	84,054
Certificate of General Investment Deposit	0	1,392,845	0	(1,392,845)	0
	639,113	9,642,010	150,534	(10,269,644)	162,013

24. PROVISIONS & OTHER LIABILITIES

	Group		Company	
	March 20, 2014 IRR million	March 20, 2013 IRR million	March 20, 2014 IRR million	March 20, 2013 IRR million
Margins Held against Deferred L/Cs	735,826	1,346,474	735,826	1,346,474
Foreign Currency Bills of Clients	693,130	723,745	693,131	723,745
Provisions for Accrued & Unpaid Expenses	216,190	162,747	208,873	161,629
Debts of Customers of L/Cs	324,469	275,232	160,118	275,232
Social Security Organization	31,132	28,148	30,922	28,148
Contractors' Goodwill Deposit	25,326	22,225	25,326	22,225
Cash Deposit on Matured L/Gs	6,858	9,002	6,858	9,002
Other Liabilities	687,377	328,268	738,466	293,977
	2,720,308	2,895,840	2,599,520	2,860,432

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25. DIVIDEND PAYABLE

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Opening Balance	56,906	53,219	22,880	23,196
Payment during the Year	(1,148,073)	(671,313)	(1,183,350)	(675,316)
Transfer to Flowing Capital Increase	(1,154,698)	0	(1,154,698)	0
Ratified Dividend	2,337,500	675,000	2,337,500	675,000
	91,635	56,906	22,332	22,880

25.1. According to the ratification of the Ordinary General Assembly Meeting dated July 16, 2013, the Bank is required to pay the amount of IRR2,338 billion in dividends to its shareholders within two stages. In the first stage the amount of IRR150 has been paid for each share. In the second stage, the amount of IRR172 for each share has been deposited in the accounts of those shareholders who did not participate in the Bank's capital increase. The remaining amount required for the mentioned capital increase has been funded via share floating at the Securities & Exchange Organization.

26. PROVISIONS FOR EMPLOYEES' TERMINATION BENEFITS

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Provisions - Opening Balance	132,551	95,388	130,082	93,798
Contributions during the Period	(9,963)	(9,086)	(7,445)	(7,316)
Provisions Taken	65,085	46,249	61,082	43,600
Provisions - Closing Balance	187,673	132,551	183,720	130,082

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27. PAID-IN CAPITAL

27.1. The Bank's capital on the date of establishment was IRR30,000 million (comprising 30,000,000 shares with a face value of IRR10,000 per share). The Bank subsequently increased its capital level at various stages as outlined below and at the close of the financial period ending 20 March 2013, the capital was increased to IRR7,250 billion (comprising 7,250 million shares with a face value of IRR10,000 each).

Date	% Increase in Capital	Additional Capital (IRR million)	Capital Level (IRR million)	Source of Additional Capital
02.08.2001	233%	30,000	100,000	Shareholders' loan and cash
22.12.2001	100%	100,000	200,000	Shareholders' loan and cash
13.11.2004	75%	150,000	350,000	Shareholders' cash
26.09.2005	100%	350,000	700,000	Shareholders' loan and cash
19.12.2007	50%	350,000	1,050,000	Shareholders' loan and cash
06.12.2008	90%	950,000	2,000,000	Shareholders' loan and cash
03.10.2010	50%	1,000,000	3,000,000	Shareholders' loan and cash
11.09.2011	50%	1,500,000	4,500,000	Shareholders' loan and cash
22.09.2012	61%	2,750,000	7,250,000	Revaluation surplus & retained profit

Capital increase which amounted to IRR1,250 billion was provided from shareholders' loan and cash. In May 28, 2014, the capital increase registered in Companies Registry Office and the capital of the Company reached IRR8,500 billion.

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27.2. Composition of shareholders at the date of balance sheet is as follows:

	March 20, 2014		March 20, 2013	
	No. of Shares	Percent of Shares	No. of Shares	Percent of Shares
Legal Entities				
Saba Ta'amin Investment Co. (PJSC)	640,393,948	8.8%	602,385,572	8.3%
Karafarin Insurance Co. (PJSC)	551,754,139	7.6%	344,219,673	4.7%
Tadbir Investment Co. (Private JSC)	365,000,000	5.0%	630,715,552	8.7%
Negin Ganjineh Iranian Co. (Private JSC)	362,500,000	5.0%	362,500,000	5.0%
Tose'e Eghtesad Farda Co. (Private JSC)	362,500,000	5.0%	362,500,000	5.0%
Mehr Afarinan Doran Co. (Private JSC)	362,500,000	5.0%	362,500,000	5.0%
Ideh Gostar Dour Andish Co. (Private JSC)	362,490,000	5.0%	0	0.0%
Modabber Kesht Tous Agricultural Co. (Private JSC)	254,620,592	3.5%	0	0.0%
Ayandeh Sazan Economic Development Co. (Private JSC)	180,966,051	2.5%	180,966,051	2.5%
South Kar va Andisheh Co. (Ltd.)	90,625,362	1.3%	90,625,362	1.3%
Refah va Ta'amin Atieh Omid Inst.	80,710,654	1.1%	0	0.0%
Parsian Investment Co. (Private JSC)	74,700,000	1.0%	75,500,000	1.0%
Tous Asphalt Co. (Private JSC)	72,698,409	1.0%	72,698,409	1.0%
Sarmayeh Gostar Dour Andish Co. (Private JSC)	0	0	362,500,000	5.0%
Sepahan Industrial Group Co. (PJSC)	0	0	77,944,176	1.1%
Total	3,761,459,155	51.88%	3,525,054,795	48.62%
Real Entities	1,672,560,454	23.07%	1,551,383,392	21.40%
Others (Less than 1%):				
Real Entities	355,052,554	4.9%	500,010,848	6.9%
Legal Entities	1,460,927,837	20.2%	1,673,550,965	23.1%
	7,250,000,000	100%	7,250,000,000	100%
No. of Shareholders:				
Legal Entities	4,116,511,709	167 Persons	4,025,065,643	190 Persons
Real Entities	3,133,488,291	7,780 Persons	3,224,934,357	8,172 Persons

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27.3. Shares of the Parent Company in ownership of the affiliated companies:

Investee Affiliated Company	March 20, 2014			March 20, 2013
	Ownership %	No. of Shares	IRR million Cost	IRR million Cost
Karafarin Insurance Co.	7.61%	551,754,139	1,108,602	581,725

27.4. Capital Adequacy

The Capital Adequacy Ratio (CAR) is measured by dividing the Bank's capital base by its risk-weighted assets. Based on the requirements of the Basel Accord, this ratio should be no less than 8 percent in all banks. The CAR, which is a key indicator in analyzing the financial statements of banks, may reflect a bank's ability in confronting unforeseeable risks and losses. The table below presents the Bank's CAR between two recent time intervals. It is noteworthy that the mentioned ratio was adjusted based on the latest correspondence with the Central Bank of Iran in March 20, 2013.

	Note	Company	
		March 20, 2014	March 20, 2013
		IRR million	IRR million
Paid-in Capital		5,250,000	5,250,000
Legal Reserves		2,285,685	1,778,515
Retained Earnings		3,216,384	2,684,420
Total Tier 1 Capital		10,752,069	9,712,935
General Provisions on Loans and Investments		907,556	710,607
Asset Revaluation Surplus		2,000,000	2,000,000
Total Base Capital Before Deductions		2,907,556	2,710,607
Investments in Shares of Banks and Credit Institutions		(343,494)	(18,053)
		2,564,062	2,692,554
Capital Base		13,316,131	12,405,489
Total Risk-weighted Assets	(27-5)	79,990,641	61,636,587
Capital Adequacy Ratio (%)		16.65	20.13

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27.5. Risk-weighted Assets

Risk-weighted Assets	Company					
	March 20, 2014			March 20, 2013		
	Assets	Risk Weight	Risk-weighted Asset	Assets	Risk Weight	Risk-weighted Asset
	IRR million	Percent	IRR million	IRR million	Percent	IRR million
Cash	660,464	-	-	168,001	-	-
Dues to CBI	10,644,794	-	-	6,807,598	-	-
Dues to Other Banks and Credit Institutions	15,316,851	20	3,063,371	12,711,294	20	2,542,260
State Participation Securities	-	-	-	1,394,510	0	-
Non-state Participation Securities	1,087,017	100	1,087,017	87,017	100	87,017
Investments	2,468,916	100	2,468,916	1,108,915	100	1,108,915
Accounts Receivable (Debtors)	1,740,981	100	1,740,981	1,161,247	100	1,266,828
Prepayments	133,784	100	133,784	8,317	100	8,317
Loans and Facilities (Hire Purchase- <i>Ijara</i>) and Mortgages	1,510,909	50	755,455	701,614	50	350,807
Debtors on Deferred L/Cs	133,397	100	133,397	518,847	100	518,847
Other Loans and Financial Facilities	56,770,515	100	56,770,515	44,401,171	100	44,401,171
Net Fixed Assets and Goodwill	8,606,410	100	8,606,410	7,246,432	100	7,140,851
Other Assets	840,361	100	840,361	721,817	100	721,818
Commitments on L/Gs issued (conversion factor: 20%)	3,254,639	100	3,254,639	2,435,018	100	2,435,018
Commitments on L/Gs issued (conversion factor: 50%)	79,193	100	79,193	43,586	100	43,586
Commitments on L/Cs issued (conversion factor: 20%)	1,056,603	100	1,056,603	1,011,153	100	1,011,153
Total risk-weighted Assets	104,304,834		79,990,642	80,526,537		61,636,587

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28. STATUTORY RESERVES

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Opening Balance	1,807,377	1,376,238	1,778,515	1,359,333
Appropriated from Net Profit	511,057	431,140	507,170	419,182
Closing Balance	2,318,434	1,807,378	2,285,685	1,778,515

28.1. Based on article 33 of the Money & Banking Regulations, 15 percent of net profit is allocated annually to statutory reserves. Annual appropriations to statutory reserves will continue until the retained balance in this account equals that of the Bank's paid-in capital.

29. MINORITY INTEREST

	Group	
	March 20, 2014	March 20, 2013
	IRR million	IRR million
Capital	61,758	40,031
Statutory Reserves	5,306	5,204
Retained Earnings	(58,230)	(22,711)
	8,834	22,524

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30. INTEREST ON LOANS AND FACILITIES

	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Income from Islamic Financial Products (IRR)	10,033,319	6,635,440	9,839,307	6,557,221
Late Payment Penalties (IRR)	979,276	1,631,753	979,276	1,616,933
Profit of Facilities & Late Payment Penalties (Foreign Currency)	1,565,218	190,032	1,565,218	190,032
Others	111,363	235,500	111,362	235,500
	12,689,176	8,692,725	12,495,163	8,599,686

31. INTEREST ON DEPOSITS AND INCOME FROM INVESTMENTS

	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Joint Income on Investments and Deposits	1,795,137	2,112,843	1,840,659	2,176,490
Non-joint Income- Investments and Deposits	86,915	43,606	86,915	43,606
	1,882,052	2,156,449	1,927,574	2,220,096

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	Note	Group		Company	
		Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
		IRR million	IRR million	IRR million	IRR million
Dividend of Subsidiary Companies	(31-1)	0	0	45,523	290,000
Dividend of Affiliated Companies	(31-1)	19,198	1,567	19,198	1,567
Dividend of Other Companies	(31-1)	181,048	283,292	181,048	56,938
		200,246	284,859	245,769	348,505
Profit from Trading Shares	(31-2)	435,795	232,064	435,795	232,064
Interest on Deposits		881,956	955,391	881,956	955,391
Interest on Participation Securities		292,709	632,111	292,709	632,111
Interest on Statutory Reserve – Bank's Quota		5,343	5,645	5,343	5,645
Interest on Statutory Reserve – Depositor's Quota		66,003	46,380	66,003	46,380
Profit from Investments		1,246,011	1,639,526	1,246,011	1,639,527
		1,882,052	2,156,449	1,927,574	2,220,096

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31.1. Dividend of companies is as follows:

	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Khuzestan Steel	29,231	0	29,231	0
National Iranian Copper Industries Co.	22,871	10,628	22,871	10,628
Karafarin Bureau de Change	0	0	21,996	79,984
Esfahan Oil Refinery	19,645	728	19,645	728
Karafarin Insurance Co.	19,198	1,567	19,198	1,567
Maroun Petrochemical	18,966	221	18,966	221
Parsian Oil & Gas Development	15,596	0	15,596	0
Fanavaran Petrochemical	10,179	5,829	10,179	5,829
Karafarin Leasing	0	0	10,000	62,406
Karafarin Bank Brokerage	0	0	10,000	6,000
Ghadir Investment	9,404	6,020	9,404	6,020
Civil Pension Fund	7,964	783	7,964	783
Khalij Fars Petrochemical Industries	5,844	0	5,844	0
Khark Petrochemical	5,112	0	5,112	0
Shiraz Petrochemical	4,888	0	4,888	0
Iran Telecommunication	4,276	5,388	4,276	5,388
Shomal Excavation	3,498	0	3,498	0
Karafarin Bank Investment	0	3	2,547	140,973
Pardis Petrochemical	2,398	6,050	2,398	6,050
Sepah Investment	1,115	1,135	1,115	1,135
Zagros Petrochemical	1,025	250	1,025	250
Abnieh Gostar Karafarin Construction Co.	0	0	980	637
Kordestan Cement	882	577	882	577
Bank Saderat	751	0	751	0
Fars & Khuzestan Cement	667	587	667	587
Stock Exchange	600	300	600	300
Tehran Cement	582	572	582	572
Bank Tejarat	539	1,036	539	1,036
Gole Gohar	380	460	380	461
Mobile Telecommunication – Hamrah	342	5,090	342	5,090
Sepahan Cement	320	285	320	285
Over-the-Counter (<i>Fara Bourse</i>)	300	400	300	400

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	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Iran Credit Rating Consulting	225	45	225	45
Asia Insurance	129	24	129	24
Bank Mellat	112	4,609	112	4,609
Iran Investment	105	175	105	175
Chador Malou	0	3,683	0	3,683
Mines & Metals Development Investment	0	1,055	0	1,055
Iran Power Plant Projects Management (MAPNA)	0	477	0	478
Iran Automobile Parts	0	75	0	75
Saba Nour Raw Material Provider	0	5	0	5
Kermanshah Petrochemical	2,942	0	2,942	0
Esfahan Mobarakeh Steel	1,625	0	1,625	0
Ta'amin Petrochemical	1,465	0	1,465	0
Bandar Abbas Oil Refinery	1,110	0	1,110	0
Behshahr Development	700	0	700	0
Bank Pasargad	550	0	550	0
Iran Chemical Industries	471	0	470	0
Power Plant Projects Management	470	0	470	0
Pasargad Oil	468	0	468	0
Shazand Petrochemical	450	0	450	0
Bank Sina	359	0	359	0
Darab Cement	325	0	325	0
Khorasan Petrochemical	296	0	296	0
Tabriz Oil Refinery	270	0	270	0
Hegmatan Cement	264	0	264	0
Shiraz Oil Refinery	240	0	240	0
Iran Alloy Steel	210	0	210	0
Others (Include 9 Companies)	888	449	888	449
	200,246	58,506	245,769	348,505

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31.2. Profit (loss) from sales of companies' shares in the Parent Company is as follows:

	2013-14				2012-13
	No. of Shares	Sales	Cost	Profit (Loss)	Profit (Loss)
	IRR million	IRR million	IRR million	IRR million	IRR million
Khalij Fars Petrochemical	69,860,201	179,675	95,500	84,175	0
Parsian Oil & Gas	7,522,793	278,102	194,037	84,065	38,597
Fanavaran Petrochemical	440,939	54,492	23,531	30,961	1,187
Khouzestan Steel	15,533,507	54,035	33,469	20,566	4,662
MAPNA	-	66,282	48,145	18,137	(1,652)
Bandar Abbas Oil	400,000	48,347	32,672	15,674	17,609
Boursiran Joint Investment Fund	0	15,885	1,999	13,886	0
Civil Pension Fund	12,565,900	48,139	34,956	13,182	23
Lavan Oil	0	19,035	7,100	11,936	446
Maroun Petrochemical	1,928,923	42,703	31,051	11,652	2,309
Khark Petrochemical	0	24,687	13,665	11,022	0
Ta'amin Petrochemical	1,200,000	37,345	29,115	8,230	0
Bank Saderat	0	31,282	23,326	7,957	
Shomal Excavation	3,385,772	30,481	22,792	7,689	0
Tehran Oil	5,000	66,327	58,950	7,377	0
Ghadir Investment	12,704,217	22,663	16,449	6,214	0
Tehran Cement	476,579	20,082	13,911	6,171	0
Iran Telecommunication	-	35,880	30,059	5,821	(2,455)
Sepah Investment	0	13,933	9,218	4,715	(6,586)
Tabriz Oil	296,200	15,387	11,675	3,712	0
Esfahan Oil Refinery	23,444,292	28,375	24,740	3,635	15,485
Bank Melli Investment	700,000	13,079	10,052	3,027	0
Kish Credit Card	0	8,650	6,795	1,855	5,401
Informatics Services	-	4,993	3,390	1,604	37
Iran Transfo Industrial	0	9,692	8,269	1,423	0
Behran Oil	0	9,014	7,744	1,270	0
Kordestan Cement	375,277	2,833	1,601	1,232	0
Shiraz Oil Refinery	300,000	13,795	12,630	1,166	96
Sepahan Cement	-	4,154	3,044	1,110	0
Kermanshah Petrochemical	582,811	13,636	12,538	1,098	0
Asia Insurance	2,087,021	3,050	2,056	994	0
Saipa	4,500,000	7,613	6,712	902	(129)
Esfahan Mobarakeh Steel	1,900,000	6,791	5,912	879	1,168
Pardis Petrochemical	564,223	10,433	9,602	832	25,520
Mines & Metals Development Investment	2,186,650	17,030	16,223	807	12,956
Zagros Petrochemical	1,153,027	2,692	2,010	683	4,589
Rent of Narenjestan 2 Complex	0	15,666	15,011	655	0
Esfahan Steel Co.	4,000,000	6,685	6,082	603	0

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	2013-14				2012-13
	No. of Shares	Sales	Cost	Profit (Loss)	Profit (Loss)
	IRR million	IRR million	IRR million	IRR million	IRR million
Omid Rent	77,880	31,252	30,562	580	0
Hegmatan Cement	0	1,810	1,257	553	0
National Iranian Copper Industries Co.	43,241,227	16,641	16,101	540	20,333
Pegah Khorasan	0	1,788	1,322	466	0
Behbahan Cement	0	6,639	6,175	464	0
Bank Mellat	0	4,942	4,485	457	(7,229)
Bank Sina	0	5,568	5,118	450	0
Khorasan Petrochemical	0	2,290	1,859	431	0
Kalber	0	1,411	997	414	0
Margarine	0	1,453	1,048	405	0
Iranol	0	2,654	2,271	383	76
Tejarat Parsian	0	5,236	4,922	314	0
Shipping	439,909	3,550	3,257	293	0
Behshahr Development	2,432,443	3,357	3,072	285	0
Pars Minoo	0	5,801	5,525	276	0
Maskan Shomal Gharb Investment	0	2,922	2,686	237	0
Shomal Cement	0	1,322	1,122	200	0
Chador Malou	966,417	9,018	8,838	180	71,698
Carbon	0	3,257	3,095	162	0
Kharazmi Investment	0	1,661	1,518	143	0
Pars International	0	530	425	105	0
Ta'amin Pharmaceutical	500,000	698	603	95	0
Rent of Mahan	0	3,456	3,362	94	0
Dana Insurance	0	803	716	87	0
Alborz Investment	0	635	552	84	0
Bama	0	2,283	2,205	78	0
MAPNA Electricity	0	345	268	78	0
Bank Parsian	0	614	543	71	
Sahand Rubber	0	354	295	59	0
Rent of MAPNA	14,000	3,003	2,962	40	0
Shahid Bahonar Copper	0	1,293	1,252	40	0
Bank Eghtesad Novin	0	312	283	29	0
Pars Tusheh Investment	0	2,264	2,235	29	0
Rayan Saipa Leasing	0	865	839	26	0
Shiraz Petrochemical	6,215,973	111	93	18	0
Sina Darou	0	658	643	14	0
Saipa Investment	0	140	131	9	0
Artificial Fibers	0	1,453	1,448	5	0
Data Processing	0	364	359	5	0
Chahar Mahal Sugar	0	126	123	3	0
Bahman Group	0	139	137	2	0

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	2013-14					2012-13
	No. of Shares	Sales	Cost	Profit (Loss)	Profit (Loss)	
	IRR million	IRR million	IRR million	IRR million	IRR million	
Behnoush	0	321	320	1	0	
National Development Group Investment	0	17	17	0	0	
Rent of Chador Malou	60,090	0	0	0	0	
Rent of Gohar Zamin Iron Ore	298,070	0	0	0	0	
E'tela Alborz	28,200	0	0	0	0	
Pakshou	16,000	0	0	0	0	
Oroumieh Cement	180,586	0	0	0	0	
Darab Cement	1,039,999	0	0	0	0	
Amin Joint Investment Fund	1,110	0	0	0	0	
Iran Chemical Industries	100,116	7,223	7,244	(21)	0	
Bank Pasargad	5,300,000	9,494	9,522	(28)	0	
Shargh Cement	0	634	745	(111)	0	
National Zinc & Lead	0	483	670	(187)	0	
Gole Gohar	-	3,668	3,968	(300)	23,590	
Arak Petrochemical	450,000	5,523	5,839	(316)	0	
Nirou Moharrekeh	0	1,265	1,663	(397)	0	
Pasargad Oil	0	5,674	6,081	(407)	31	
Atieh Damavand Investment	0	2,276	2,740	(465)	0	
Iran Alloy Steel	0	1,291	1,835	(544)	0	
Rena Investment	0	4,564	5,322	(758)	0	
Others (Include 15 Companies)	0	0	0	0	2,581	
	524,984,659	1,615,519	1,179,620	435,795	232,064	

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32. INTEREST PAID ON INVESTMENT DEPOSITS

	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Short-term (1-month) Deposit	1,961,775	717,471	2,006,805	742,171
Short-term (3-month) Special Deposit	369,158	75,234	369,158	75,234
Special Deposit (4-month)	52,910	1,489	52,911	1,489
Short-term (6-month) Special Deposit	4,832	19,209	4,832	19,209
Short-term (9-month) Deposit	246	512	246	512
Special Deposit (11-month)	279	498	279	498
One-year Deposit	1,048,619	130,015	1,048,619	130,015
Two-year Deposit	144,504	12,021	144,504	12,021
Three-year Deposit	6,687	8,468	6,687	8,467
Four-year Deposit	9,010	11,525	9,010	11,525
Five-year Deposit	4,606,114	4,469,518	4,606,114	4,469,519
Investment Deposit Guarantee – Public (1-year)	24,779	0	24,779	0
Investment Deposit Guarantee – Public (2-year)	1,366,867	990,706	1,366,867	990,706
Investment Deposit Guarantee – Public (3-year)	1,199	1,776	1,199	1,776
Total	9,596,980	6,438,442	9,642,010	6,463,142

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33. DIFFERENCE BETWEEN FINAL AND ON-ACCOUNT PROFIT INVESTMENT DEPOSITS

The difference between final and on-account profit investment term deposits of the clients based on the CBI Circular No. 87/126331 dated 08.05.2008 is calculated as follows:

	March 20, 2014		March 20, 2013
	IRR million	IRR million	IRR million
Average of Granted Facilities	53,274,490		36,895,071
Average of Investments	2,335,612		1,072,018
Average of Deposits & Deposit Guarantees	3,701,671		4,556,360
Average of Participation Bonds	834,167		2,973,053
		60,145,939	45,496,501
Less: Net Resources of Depositors:			
Average of Investment Deposits – IRR	54,275,537		40,112,918
Average of Legal Deposit	(6,595,202)		(4,542,679)
Net Resources of Depositors		47,680,335	35,570,238
Bank's Resources		12,465,604	9,926,263
Profit of Granted Facilities		12,161,365	8,174,154
Profit of Participation Bonds		211,137	594,150
Profit of Deposits		881,956	955,391
Profit of Investments		681,564	580,569
Total Joint Profit		13,936,021	10,304,264
Depositors Profit Quota from Joint Revenues		11,047,698	8,056,116
Profit of Legal Deposit		66,003	46,380
Benefits of Depositors		11,113,701	8,102,496
Attorney Fee (2.5% per Year)		(1,356,888)	(1,002,823)
Payable Benefits to Depositors		9,756,813	7,099,674
Paid On-account Profit to Depositors during the Year		(9,606,279)	(6,463,141)
Deficit of Paid Profit to Depositors		150,534	636,532

* The amounts of granted facilities, investments, participation bonds, investment deposits and legal deposit calculated based on average 52 weeks per year.

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34. COMMISSION INCOME

	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Issuance of Letters of Guarantee	304,664	245,205	304,664	245,205
Foreign Currency Transactions	246,517	179,541	246,517	179,541
Managed Funds	891	1,317	891	1,317
Other Services	157,985	85,105	82,726	53,315
	710,057	511,168	634,798	479,378

34.1. Commission rate based on services:

Type of Commission	Calculation Method
A) Issuance of Letters of Guarantee	0.75% - 2.25% of the L/G
B) Opening of L/Cs & Foreign Currency Operations	0.1% of the Amount of L/C
C) Managed Funds	0.25% - 1% of the Amount of Facilities
D) Commission of Other Services	1.5%

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35. INCOME FROM FOREIGN EXCHANGE TRANSACTIONS

	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
CNY- Chinese Yuan	483,326	15,325	483,326	15,325
USD- US Dollar	436,137	73,931	436,137	73,931
INR- Indian Rupee	45,707	990	45,707	990
KRW- South Korean Won	14,170	15,304	14,170	15,304
QAR- Qatari Rial	9,340	1	9,340	1
GBP- British Pound	5,945	(719)	5,945	(719)
SEK- Swedish Krona	4,138	18,346	4,138	18,346
TRY- Turkish Lira	3,913	25,950	3,913	25,950
OMR- Omani Rial	1,190	(150,237)	1,190	(150,237)
RUB- Russian Rouble	(8,374)	98,566	(8,374)	98,566
JPY- Japanese Yen	(52,115)	28,177	(52,115)	28,177
CHF- Swiss Franc	(133,177)	7,664	(133,177)	7,664
EUR- Euro	(241,190)	61,919	(241,190)	61,919
AED- Emirates Dirham	(337,583)	(2,071)	(337,583)	(2,071)
	231,427	193,146	231,427	193,146

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36. OTHER INCOME

	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Professional Services Fees	72,121	49,268	72,121	49,268
Profit (Loss) on Fixed Asset Disposal	2,193	3,065	2,192	(303)
Profit from Sales of Held Assets for Sales	0	3,210	0	0
Sales of Foreign Currency	107,781	114,973	0	0
Others	172,876	155,497	71,740	105,535
	354,971	326,013	146,053	154,500

37. GENERAL AND ADMINISTRATIVE EXPENSES

	Note	Group		Company	
		Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
		IRR million	IRR million	IRR million	IRR million
Personnel Expenses	(37-1)	726,287	512,835	663,202	477,907
Other Administrative Expenses	(37-2)	497,830	414,868	466,005	379,638
		1,224,117	927,703	1,129,207	857,545

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37.1. Personnel expenses are as follows.

	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Wages, Salaries & Allowances	581,993	409,457	529,637	380,448
Employer Insurance Quota & Unemployment Insurance	70,388	52,826	66,102	50,426
Work Termination Benefits	68,388	48,100	64,165	45,228
Travel & Mission Allowances	4,037	1,940	2,506	1,293
Others	1,481	512	792	511
	726,287	512,835	663,202	477,907

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37.2. Other administrative expenses are as follows.

	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Depreciation Expenses	59,606	61,134	72,875	58,572
Consultancy Fees	84,995	47,983	72,334	45,495
Automated Systems' Expenses	57,382	34,381	55,796	33,551
Rent Expenses	50,036	40,836	52,252	46,453
Water, Electricity, Energy & Telephone Expenses	39,116	30,495	37,447	29,314
Repair & Maintenance of Buildings	39,976	32,008	37,354	27,855
Utilities' Expenses	26,858	22,503	25,533	21,431
Advertising Expenses	22,234	37,187	21,886	34,305
Training Expenses	3,199	2,117	3,199	2,117
Printing & Reports Expenses	2,340	554	2,261	358
Insurance Expenses of Cash & Assets	1,640	1,819	1,302	1,392
Attendance Expenses of Board of Directors	1,228	861	460	398
Other Expenses	109,220	102,991	83,306	78,397
	497,830	414,868	466,005	379,638

* A major portion of fees paid relates to the outsourcing of such services as branch security, branch cleaning and general maintenance, and postage charges.

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38. LOAN LOSS PROVISIONS' EXPENSE

	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Loan Loss Provision- General	203,402	23,662	196,949	20,514
Loan Loss Provision- Specific	148,797	310,473	139,798	310,473
	352,199	334,135	336,747	330,987

38.1. Specific loan loss provision for the year ended 20.03.2014 according to Note 4-7 is as follows:

	Overdue IRR million	Outstanding IRR million	Doubtful IRR million	Total IRR million
Balance at 20.03.2014 less Pledges Values	726,451	2,607,481	3,889,147	7,223,079
Savings & Investment Deposits	7,825	20,251	7,009	35,085
Properties	570,944	876,415	2,961,154	4,408,513
Shares of TSE Companies	67	1,235	4,650	5,952
Balance for Basis of Specific Provision Calculation	147,615	2,078,594	916,334	3,142,543
Coefficient Basis for Calculation of Specific Provision	10%	20%	50 to 100%	
Specific Provision at the End of the Year	14,762	341,916	824,700	1,181,378
Less: Specific Provision at the Beginning of the Year	154,451	191,792	695,337	1,041,580
Specific Doubtful Debts Expenses	(139,691)	150,124	129,364	139,798

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38.2. General loan loss provision for the year ended 20.03.2014 according to Note 4-7 is as follows:

Amount	
IRR million	
Balance of Granted Facilities Based on Note 8	58,281,424
Total General & Specific Provision Based on Note 8	2,086,902
Balance of Deferred L/Cs Based on Note 9	135,428
Balance of Granted Facilities Based on Note 8 Less	60,503,754
Coefficient Basis for Calculation of General Provision	1.5%
General Provision at the End of the Year	907,556
Less: General Provision at the Beginning of the Year	(710,607)
General Doubtful Debts Expenses	196,949

39. FINANCING COSTS

	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Cost of Received Facilities	117,778	32,907	0	0
Others	19,325	45	19,325	45
	137,103	32,952	19,325	45

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41. PRIOR PERIOD ADJUSTMENT

	Note	Group		Company	
		Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
		IRR million	IRR million	IRR million	IRR million
Performance Tax	(41-1)	(243,409)	(374,305)	(239,633)	(366,619)
Dividend of 2011-12 Period of Subsidiary Companies		0	59,484	0	59,484
Dividend of 2012-13 Period of Subsidiary Companies	(41-2)	(228,282)	(228,282)	0	0
Amendment Errors		0	18,282	0	0
		(471,691)	(524,821)	(239,633)	(307,135)

41.1. This amount is related to the difference between final performance of 2009-10 period with the paid amount.

41.2. This amount is related to amendment of recognition method of Group's dividend.

41.3. In order to draw accurate conclusions from the financial status and operation results, all comparative items in the financial statements have been adjusted and revised. Therefore, some of the comparative items in the revised financial statements do not correspond with those of the previous year's financial statement.

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42. RECONCILIATION OF PRE-TAX PROFIT TO CASH FLOW FROM OPERATIONS

	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Pre-tax Profit	4,336,178	3,346,973	3,971,082	3,177,001
Depreciation Charge	59,606	54,208	72,875	58,572
Income from Sales of Investments	(435,795)	(232,064)	(435,795)	(231,680)
Profit Paid for Financial Facilities Received	137,103	32,952	19,325	45
Dividend on Investments & Joint Activities	(200,246)	(286,926)	(245,769)	(348,505)
Adjustments of Fixed Assets	77,801	0	77,801	0
Adjustments of Surplus of Revaluation	(81,708)	0	0	0
Profit / Loss from Sales of Fixed Assets	(2,193)	(3,065)	(2,193)	303
Profit from Sales of Held Assets for Sale	0	(3,210)	0	0
Doubtful Debts' Expenses	352,199	334,135	336,747	330,987
Bonus of the Board of Directors	(6,113)	(5,069)	(4,500)	(4,500)
Conversion of Foreign Currency	(231,427)	(193,146)	(231,427)	(193,146)
Net Increase in Provisions for Termination Benefits	55,122	37,162	53,637	36,284
	4,060,527	3,081,950	3,611,783	2,825,360

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	Group		Company	
	Year Ended March 20, 2014	Year Ended March 20, 2013	Year Ended March 20, 2014	Year Ended March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Net Increase (Decrease) in Operating Liabilities:				
Demand Deposits & Gharz-al-Hassaneh Savings Deposits	(221,884)	63,746	(221,884)	63,746
Term Investment Deposits	18,578,624	11,069,291	18,681,134	11,243,703
Other Deposits	(1,648,753)	2,281,846	(1,648,753)	2,281,846
Accounts Payable	4,447,540	2,182,802	4,362,160	2,106,904
	21,155,527	15,597,685	21,172,656	15,696,199
Net (Increase) Decrease in Operating Assets:				
Statutory Deposits	(2,977,608)	(1,947,570)	(2,976,863)	(1,947,570)
Participation Securities	540,319	285,287	394,510	410,050
Prepayments	(292,543)	(7,647)	(125,467)	1,475
Accounts Receivable	(706,213)	720,116	(740,043)	532,091
Other Assets	(162,767)	(174,291)	(118,543)	(152,444)
Financial Facilities (Islamic Contracts)	(13,947,115)	(10,396,646)	(13,515,385)	(10,199,187)
Debtors' of L/Cs & Term Foreign Currency Bills	385,450	1,283,507	385,450	1,283,507
	(17,160,477)	(10,237,244)	(16,696,340)	(10,072,078)
Net Cash Inflow from Operating Activities	8,055,576	8,442,391	8,088,099	8,449,480

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43. DISAGGREGATION OF NET INCREASE IN CASH

	Note	Group		Company	
		March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
		IRR million	IRR million	IRR million	IRR million
FCY Cash, and Cash with International Banks	7	11,937,195	7,545,082	11,937,107	7,545,082
Cash Position with Domestic Banks- Post Clearing	7	3,444,530	5,150,371	3,379,744	5,138,531
Current Account with the CBI	6	1,317,511	457,176	1,317,511	457,177
Bank Notes, Coins, and Precious Metals	5	662,946	170,306	660,464	168,001
		17,362,182	13,322,934	17,294,826	13,308,791

43.1. Non-cash transactions

	Group March 20, 2014 IRR million	Company March 20, 2013 IRR million
Increase in Flowing Capital from Dues	1,154,698	1,154,698
Transfer from Fixed Tangible Assets to Intangible Assets	563,618	563,618
	1,718,316	1,718,316

44. LETTERS OF CREDIT

Currency	No.	Opening Balance			Issued During the Period			Paid for During the Period			Closing Balance – 20.03.2014		
		FCY	IRR million	No.	FCY	IRR million	No.	FCY	IRR million	No.	FCY	IRR million	No.
<i>Sight Letters of Credit</i>													
USD	1	78,565	963	-	-	-	1	78,565	963	-	-	-	
EUR	21	232,981,786	3,685,073	44	63,709,438	1,188,738	17	270,097,844	3,944,479	48	26,593,380	929,332	
EUR-M	2	13,114,925	415,861	90	69,436,084	2,346,844	5	71,035,295	2,360,277	87	11,515,714	402,428	
AED	10	36,293,813	121,076	-	-	0	1	34,390,196	108,065	9	1,903,617	13,011	
JPY	4	1,609,484,790	208,348	2	38,758,000	9,593	1	1,008,369,583	59,566	5	639,873,207	158,375	
JPY-M	-	-	-	4	162,214,312	40,204	-	56,877,282	14,131	4	105,337,030	26,072	
KRW	4	1,814,414,968	19,953	3	935,476,590	21,899	1	1,712,112,275	17,558	6	1,037,779,283	24,293	
KRW-M	4	2,056,203,718	45,236	34	25,083,873,924	608,849	3	18,546,392,054	452,916	35	8,593,685,588	201,170	
RUB	1	5,072,024	2,034	-	-	-	-	5,072,024	2,034	1	-	-	
RUB-M	1	1,253	1	-	-	-	-	-	-	1	1,253	1	
INR	-	-	0	8	362,383,000	148,939	-	-	-	0	362,383,000	148,939	
INR-M	-	-	0	28	1,006,420,589	409,664	5	435,704,879	175,100	23	570,715,710	234,564	
CNY	22	380,481,628	750,310	11	41,057,843	166,284	8	280,419,021	345,056	25	141,120,450	571,538	
CNY-M	8	26,911,700	106,436	9	21,973,285	88,286	12	44,619,385	177,446	5	4,265,600	17,276	
TRY	8	9,220,886	62,176	1	529,329	3,631	2	6,642,022	30,682	7	3,108,193	35,126	
	86		5,417,468	234		5,032,931	56		7,688,274	264		2,762,125	
<i>Deferred Letters of Credit</i>													
EUR	92	63,002,694	996,514	-	61,824	978	17	61,386,818	938,862	75	1,677,700	58,629	
CHF	3	96,085	1,249	-	-	-	-	60,500	226	3	35,585	1,022	
AED	18	6,874,386	22,933	-	7,328	50	-	5,546,059	13,854	18	1,335,654	9,129	
TRY	-	0	0	-	-	-	-	0	0	-	0	0	
KRW	-	77,651,087	854	-	-	-	-	60,981,576	464	-	16,669,511	390	
IRR	7	0	121,663	-	-	-	3	0	112,955	4	0	8,709	
CNY	3	12,730,576	25,105	-	-	-	2	12,387,697	23,716	1	342,879	1,389	
	123		1,168,317	-		1,028	22		1,090,077	101		79,268	
<i>Export Letters of Credit</i>													
USD	16	16,111,656	197,529	-	-	-	-	-	-	16	16,111,656	404,435	
EUR	17	39,264,815	621,052	-	-	-	-	-	-	17	39,264,815	1,372,148	
AED	7	188,661,555	629,375	-	-	-	-	-	-	7	188,661,555	1,289,502	
SEK	1	185,520,000	352,302	-	-	-	-	-	-	1	185,520,000	734,103	
IRR	3	19,628,217,110	19,628	-	-	-	-	2,194,331,280	2,194	3	17,433,885,830	17,434	
CNY	1	369,533	729	-	-	-	-	-	-	1	369,533	1,497	
KRW	2	8,293,895	91	-	-	-	-	-	-	2	8,293,895	194	
	47		1,820,706	-	-	-	-	-	2,194	47	8,293,895	3,819,312	
	256		8,406,491	234		5,033,959	78		8,780,545	412		6,660,705	

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45. LETTERS OF GUARANTEE

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Commitments on L/Gs Issued-IRR	16,329,701	12,729,341	16,329,701	12,729,341
Commitments on L/Gs Issued-FCY	1,729,769	841,327	1,729,769	841,327
Customers' Commitments on Counter L/Gs- FCY	75,302	12,535	75,302	12,535
	18,134,772	13,583,203	18,134,772	13,583,203

46. MANAGED FUNDS

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Managed Funds	377,645	902,426	377,645	902,426
Profit of Managed Funds	2,000	1,459	2,000	1,459
	379,645	903,885	379,645	903,885

47. OTHER COMMITMENTS AND OFF-BALANCE SHEET ITEMS

	Group		Company	
	March 20, 2014	March 20, 2013	March 20, 2014	March 20, 2013
	IRR million	IRR million	IRR million	IRR million
Collateral Pledged against Financial Facilities (Deposits & Promisory Notes)	193,409,044	169,440,993	193,409,044	169,440,993
Collateral Pledged against Financial Facilities (Real Estate)	27,153,044	21,463,070	27,153,044	21,463,070
Collateral Pledged against Financial Facilities (Shares & Securities)	34,018,790	19,390,498	34,018,790	19,390,498
<i>Ijara Thumma al-Bai</i> (Hire Purchase) Properties Pledged to the Bank	121,540	137,341	121,540	137,341
Other	77,084,704	12,006,954	77,084,704	12,006,954
	331,787,122	222,438,856	331,787,122	222,438,856

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48. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The Bank has no contingent liabilities on the balance sheet date and capital commitment for branches development is IRR470,652 million.

49. EVENTS AFTER THE BALANCE SHEET DATE

- 1) On May 28, 2014, the capital of the Bank increased from IRR7,250 billion to IRR8,500 billion.
- 2) On May 10, 2014, the investment of the Bank in Karafarin Bank Investment Co. decreased 30% and the Bank's ownership percentage in the mentioned company was 49% at the date of this report.

50. RETAINED EARNINGS AT THE END OF THE YEAR

Regarding the following items, the allocation of retained earnings at the end of the year depends on the ratification of Shareholders' Ordinary General Assembly Meeting.

	Amount IRR million
Legal Duties:	
Distribution of at Least 10% of the Net Profit of 20.03.2014 Based on Article 90 of the Amendment of Trade Act	338,113
Maximum Distributable Profit:	
Balance of Retained Earnings at the End of 2013-14 Period of the Parent Company – Less:	3,216,384
Deficit of Tax Provision Based on Recognized & Final Papers	(500,000)
Proposed Bonus of the Board of Directors	(6,000)
Maximum Distributable Dividend	2,710,384
Board of Directors' Proposal	
Proposed Dividend of the Board of Directors	2,550,000

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50.1. Situation of profit paid during the past five years:

(IRR million)

Year	Proposed Schedule for Profit Distribution	Ratified Dividend	Paid Amount during the Schedule	Unpaid Amounts of Ratified Dividend*
2008-09 Period	From 16 July 2009	1,000,000	995,218	3,056
2009-10 Period	From 6 June 2010	1,200,000	1,191,750	4,232
2010-11 Period	From 7 June 2011	1,500,000	1,484,617	6,329
2011-12 Period	From 16 June 2012	1,425,000	1,401,804	7,813
2012-13 Period	From 18 July 2013	2,337,500	2,315,168	902

* All of the shareholders' claims were settled a few days following the holding of the General Assembly Meeting and the unpaid amounts are due to the shareholders who did not make their collections or failed to notify the Bank of their account details.

50.2. Compliance situation of cash flows with ratified dividend during the past five years:

Year	Cash Flows						(Amounts in IRR million)			
	Operating	Return on Investments & Paid Profit for Financing (Except Dividend Paid)	Dividend Paid	Income Tax	Total	Distributable Profit Based on Group / Consolidated Financial Statements	Distributable Profit Based on Different Financial Statements	Ratified Distributable Profit	Ratified Dividend Percentage to Minimum Distributable Profit Based on Group / Consolidated Financial Statements	
2008-09	1,292,344	(4,496)	(94,727)	(88,314)	1,104,806	1,106,011	1,136,641	1,000,000	90%	
2009-10	3,280,900	(5,134)	(996,532)	(272,917)	2,006,317	1,460,023	1,500,907	1,200,000	82%	
2010-11	1,826,263	63,867	(996,532)	(194,882)	698,716	1,630,851	1,560,732	1,500,000	96%	
2011-12	(2,399,400)	126,284	(1,484,617)	(483,018)	(4,240,751)	2,043,035	2,045,690	1,425,000	70%	
2012-13	8,088,099	212,934	(1,183,350)	(716,364)	6,401,320	3,685,542	3,381,134	2,337,500	63%	

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51. FOREIGN CURRENCY POSITION

(Amounts in Foreign Currency)

	Cash	Dues from Banks & Credit Institutions	Demand Deposits	Term Investment Deposits	Total	Commitments- L/Cs	Commitments- L/Gs
USD	7,785,009	38,564,121	(9,149,999)	(9,487,903)	27,711,227	16,111,656	953,087
EUR	5,228,042	145,747,954	(19,303,219)	(7,125,721)	124,547,056	67,535,895	49,738,755
GBP	12,906	605,418	(57,004)	(78,570)	482,750	-	9,500
AED	5,660	20,207,186	(6,721,217)	(238,000)	13,253,629	191,900,826	-
JPY	-	17,312,075,722	(577,803)	-	17,311,497,920	639,873,207	-
CHF	200	209,387	(590)	-	208,997	35,585	-
KRW	-	7,760,775,053	(6,184,821)	-	7,754,590,232	1,062,742,689	-
RUB	-	18,675,620	-	-	18,675,620	-	-
INR	-	1,275,489,858	-	-	1,275,489,858	362,383,000	-
CNY	-	156,932,404	(2,500,599)	-	154,431,805	141,832,861	10,478,091
TRY	-	3,608,443	(8,665)	-	3,599,779	3,108,193	-
SEK	-	2,010,904	-	-	2,010,904	185,520,000	-
OMR	-	1,501	-	-	1,501	-	-
QAR	-	2,646,751	-	-	2,646,751	-	-
CAD	-	-	-	-	-	-	6,404

52. BASIC AND DILUTED EARNINGS PER SHARE

52.1. Basic earnings per share are calculated as follows:

	2013-14	2012-13
Net Profit – IRR million	3,685,541	2,915,793
No. of Shares	7,250,000,000	7,250,000,000
Basic Earnings Per Share – IRR	508	402

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52.2. During the reported period, the capital increase registered at the Tehran Companies Registry Office on 28.05.2014, was funded from cash and dues.

52.3. Diluted earnings per share are calculated as follows:

	2013-14	2012-13
Net Profit – IRR Million	3,685,541	2,915,793
Weighted Average Number of Shares	8,180,643,000	8,091,000,000
Diluted Profit of Each Share – IRR	451	360
	2013-14	2012-13
No. of Ordinary Shares at the Beginning of the Year		7,250,000,000
Adjustment Factor		1,116
Adjusting Shares at the Beginning of the Year Considering Time Factor	6,317,630,000	
Weighted Average of Shares from Priority Share Issuance Date	1,863,013,000	
No. of Used Shares in Calculation of Diluted Profit	8,180,643,000	8,091,000,000

$$\text{Market Value of each Share} = \frac{(7,250,000,000 * 3,451) + (1,250,000,000 * 1,000)}{8,500,000,000} = 3,091$$

$$\text{Adjustment Factor} = \frac{3,451}{3,091} = 1.116$$

$$\frac{7,250,000,000 * 285 * 1.116}{365} = 6,317,630,000$$

$$\frac{8,500,000,000 * 80}{365} = 1,863,013,000$$

53. RELATED PARTIES TRANSACTIONS

(Amounts in IRR million)

Description	Related Party	Type of Affiliation	Subject of Transaction	Is it Liable to Article 129 of Trade Act?	Method of Pricing	2013-14		2012-13	
						Amount of Transaction	Gross Profit (Loss) of the Transaction	Debt (Credit) Balance	Amount of Transaction
Joint Group Companies / Under Control of the Unit	Karafarin Bank Brokerage Co.	Subsidiary Co.	Commission of Trading Shares	-	TSE Transaction Tariff	8,150		207,903	
	Karafarin Bureau de Change	Subsidiary Co. & Joint Member of the Board of Directors	Issuance of Guarantee Purchase of Foreign Currency		Banking Tariffs Banking Tariffs	16,970 12,488	175	9,605	2,365
	Abnieh Gostar Karafarin Co.	Subsidiary Co.	Issuance of Guarantee Construction & Renovation of Branches	-	Banking Tariffs Cost Plus Routine Commission	4,000 207,209	72	4,000	2,950
	Asr Amin Karafarin Co.	Subsidiary Co.	Insurance of Building under Construction Insurance Services	-	Based on Insurance Tariff Based on Insurance Tariff	241 14,361		-	10,813
	Karafarin Bank Investment Co.	Subsidiary Co. & Joint Member of the Board of Directors	Purchase of Property Rent	✓	Based on Expert Opinion Based on Expert Opinion	94,201 1,891		(22,705)	287,540
			Purchasing Shares		Stock Price on TSE	37,574			
			Issuance of Guarantee		Banking Tariffs	56,426	189	40,773	35,759
			Rent of Building for Branches		Based on Expert Opinion	1,696			-
			Insurance Services	✓	Based on Instructions of Insurance & Contracts In-between	2			1,305
	Affiliated Trade Units	Karafarin Insurance Co.	Member of the Board of Directors						

Other Related Parties										59,024
Mr. Ali Rousia	Ex-Board Member	Granted Facilities	-	Based on Instruction of Credit Committee	256,813		49,207	158,070		59,024
Mr. Abdoimahmoud Zarrabi	Managing Director of Karafarin Insurance Co.	Granted Facilities	-	Based on Instruction of Credit Committee	86,042		20,317	63,580		18,061
Kar va Andishe Engineering Co.	Shareholder of the Bank	Granted Facilities	-	Based on Instruction of Credit Committee	745,693		109,765	207,000		153,657
		Construction of Building		Based on Instructions of Insurance & Contracts In-between	-		-	5,764		
		Opening of L/Cs		Based on Instruction of Credit Committee			591,457			
Tadbir Industry & Mines Development	Member of the Board of Directors	Issuance of Guarantee	✓	Based on Instruction	64,480	584	23,072	5,573		
		Granted Facilities	✓	Based on Instruction of Credit Committee	1,826,486		207,018			
Alborz Bulk Pharmaceutical Materials Production Co.	Member of the Board of Directors	Granted Facilities	✓	Based on Instruction of Credit Committee			177,559			
		Issuance of Guarantee	✓	Based on Instruction	120,398	862	120,398			
Sobhan Oncology Pharmaceutical Co.	Member of the Board of Directors	Opening of L/Cs		Based on Instruction of Credit Committee			108,359			
		Granted Facilities	✓	Based on Instruction of Credit Committee	1,519,938		290,688			
KBC Co.	Member of the Board of Directors	Opening L/Cs	✓	Based on Instruction of Credit Committee			179,261			
		Granted Facilities		Based on Instruction of Credit Committee	1,388,625		-	300,000		306,879
Iran va Shargh Co.	Member of the Board of Directors	Granted Facilities		Based on Instruction of Credit Committee						

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54. RE-CLASSIFICATION OF COMPARATIVE ITEMS

54.1. Group's comparative items are re-classified as follows:

(Amounts in IRR million)

Description	Balance based on Financial Statements of the Previous Year	Classification Adjustments		Balance Based on Financial Statements of the Current Year
		Debtor	Creditor	
Granted Facilities to Other Parties	45,519,627	7,901	0	45,527,528
Debtors of FYC Term L/Cs & Bills	526,748	0	7,901	518,847
Accounts Receivable	874,984	0	146,270	500,431
Investments	1,478,522	30,974	0	1,509,497
Tangible Fixed Assets	3,752,451	105,581	0	3,858,032
Reserves & Other Debts	2,899,833	9,715		2,895,840
Profit from Investments & Deposits (Joint Incomes)	2,066,463	0	46,380	2,112,843
Profit from Investments & Deposits (Non-joint Incomes)	89,986	46,380	0	43,606
		200,551	200,551	

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54.2. Company's comparative items are re-classified as follows:

(Amounts in IRR million)

Description	Balance based on Financial Statements of the Previous Year	Classification Adjustments		Balance based on Financial Statements of the Current Year
		Debtor	Creditor	
Granted Facilities to Other Parties	45,094,884	7,901	0	45,102,785
Debtors of FYC Term L/Cs & Bills	526,748	0	7,901	518,847
Accounts Receivable	1,302,828	0	307,080	995,747
Investments	1,126,967	30,974	0	1,157,942
Tangible Fixed Assets	3,941,886	105,581	0	4,047,467
Term Investment Deposits	46,939,799	160,810	0	46,778,989
Reserves & Other Debts	2,864,425	9,715		2,860,432
Profit from Investments & Deposits (Joint Incomes)	2,130,110	0	46,380	2,176,490
Profit from Investments & Deposits (Non-joint Incomes)	89,986	46,380	0	43,606
		361,361	361,361	

54.3 Reclassification of comparable items mainly relates to the transfer of general provisions of doubtful claims of granted facilities from the heading of granted facilities to the term letters of credit and the transfer of legal reserve prize from the non-joint and joint incomes.