Statement of financial position

as at 31 December

In thousands of Leones	Note	2012	2011
Assets			
Cash and cash equivalents Loans and advances to customers Investment securities Property, plant and equipment Intangible assets Income tax receivable Deferred tax asset	15 16 17 18 19 12c 12d	53,468,027 12,322,526 57,861,163 10,529,427 358,849 67,812 356,505	19,434,376 10,834,086 28,611,128 12,876,979 418,449 237,468
Other assets	21	819,202	1,716,212
Total assets		135,783,511	74,128,698
Liabilities			
Deposits from customers Deferred tax liability Other liabilities	22 12d 23	9,476,699	53,455,394 273,717 3,855,095
Total liabilities		111,620,264	57,584,206
Equity			·
Share capital Deposit for shares Statutory reserve Retained earnings Other reserves	24 26 25.2 25.3 25.1	28,174,373 13,544,642 352,806 (18,735,581) 827,007	28,174,373 6,671,683 (18,305,617) 4,053
Total equity attributable to equity holders of the Bank		24,163,247	16,544,492
Total liabilities and equity		135,783,511	74,128,698

These financial statements were approved by the Board of Directors on 2 7 Marcul 2013

Directors

Statement of comprehensive income *for the year ended 31 December*

In thousands of Leones	Note	2012	2011
	Note		
Interest and similar income	7	15,304,706	9,599,984
Interest expenses and similar charges	7	(2,423,974)	(1,745,542)
Net interest income		12,880,732	7,854,442
Fees and commission income	8	3,957,536	3,342,823
Net trading income	9	3,393,070	2,108,113
Other income		24,271	397,802
Operating income		20,255,609	13,703,180
Impairment loss on loans and advances	16	(2,896,507)	(1,346,533)
Personnel expenses	10	(4,824,738)	(3,915,003)
Operating lease expense	21	(619,573)	(738,546)
Depreciation and amortisation	18,19	(3,417,400)	(3,299,559)
Other expenses	11	(8,269,567)	(7,593,295)
Profit/ (loss) before income tax		227,824	(3,189,756)
Income tax credit	12a	477,788	109,124
Profit/ (loss) for the year	13	705,612	(3,080,632)
Other comprehensive income, net of income tax			
Defined benefit plan actuarial gain on defined benefit obligation		57,406	5,790
Deferred tax on actuarial gain on defined benefit obligation		(17,222)	(1,737)
Other comprehensive income for the year, net of income tax		40,184	4,053
Total comprehensive income for the year		745,796	(3,076,579)

Statement of comprehensive income (continued)

for the year ended 31 December

In thousands of Leones	Note	2012	2011
Profit/ (loss) attributable to:			
Equity holders of the Bank		705,612	(3,080,632)
Profit/ (loss) for the year		705,612	(3,080,632)
Total comprehensive income attributable to:			
Equity holders of the Bank		745,796	(3,076,579)
Total comprehensive income for the year	ar	745,796	(3,076,579
Basic and diluted earnings per share	14	25	(109)

These financial statements were approved by the Board of Directors on a MARCH 2013

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Director

Statement of changes in equity for the year ended 31 December 2011

In thousands of Leones	Share capital	Deposit for shares	Retained earnings	Statutory reserves	Other reserves	Total
Balance at 1 January 2011	28,174,373	1,737,249	(15,224,985)	-	-	14,686,637
Total comprehensive income for the period Net loss for the year	-	-	(3,080,632)	-	-	(3,080,632)
Other comprehensive income	-	-	-	-	4,053	4,053
Total other comprehensive income for the year		-	-	-	4,053	4,053
Other transfers Transfer to credit risk reserve Transfer to statutory reserve		-	- -	-	-	
Total other transfers	-	· -	1-	-	-	-
Total comprehensive income and other transfers		_	(3,080,632)	-	4,053	(3,076,579)
Transactions with owners, recorded directly in equity						· · · · · · · · · · · · · · · · · · ·
Contribution by and distributions to owners Deposit for shares	-	4,934,434	-	-	<u> </u>	4,934,434
Total contributions by and distributors to owners	-	4,934,434	1-	-	-	4,934,434
Balance at 31 December 2011	28,174,373	6,671,683	(18,305,617)	-	4,053	16,544,492

Statement of changes in equity (continued) for the year ended 31 December 2012

In thousands of Leones	Share capital	Deposit for shares	Retained earnings	Statutory reserves	Other reserves	Total
Balance at 1 January 2012	28,174,373	6,671,683	(18,305,617)		4,053	16,544,492
Total comprehensive income for the period Net profit for the year	= -	-	705,612	-	-	705,612
Other comprehensive income	-	-	-	-	40,184	40,184
Total other comprehensive income for the year	-	-	-	-	40,184	40,184
Other transfers Transfer to credit risk reserve			(782,770)	_	782,770	_
Transfer to statutory reserve	-	-	(352,806)	352,806	-	-
Total other transfers	-	-	(1,135,576)	352,806	782,770	_
Total comprehensive income and other transfers		-	(429,964)	352,806	822,954	745,796
Transactions with owners, recorded directly in equity						
Contribution by and distributions to owners Deposit for shares	-	6,872,959	-	-	-	6,872,959
Total contributions by and distributors to owners	-	6,872,959	-	-	-	6,872,959
Balance at 31 December 2012	28,174,373	13,544,642	(18,735,581)	352,806	827,007	24,163,247

Statement of cash flows

for the	year	ended	31	December
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joi the year chaca 31 December			
In thousands of Leones	Note	2012	2011
Cash flows from operating activities			
Profit /(loss) for the year Adjustment for:		705,612	(3,080,632)
Depreciation and amortisation Impairment losses on loans and advances Net interest income Net actuarial gain on end of service benefit Income tax expense	18, <i>19</i>	3,417,400 2,896,507 (12,880,732) 57,406 (477,788)	3,299,559 1,346,533 (7,854,442) 5,790 (109,124)
Changes in loans and advances Changes in other assets Changes in deposits from customers Changes in other liabilities		(6,281,595) (4,384,946) 897,009 48,688,171 5,621,604	(6,392,316) (4,348,465) (1,287,312) 22,260,335 3,049,528
Interest received Interest paid Income tax paid	7 7 12c	44,540,243 15,304,706 (2,423,974)	13,281,770 9,599,984 (1,745,542) (78,300)
Net cash generated from operating activities		57,420,975	21,057,912
Cash flows from investing activities			
Acquisition of investment securities Acquisition of property and equipment Acquisition of intangible assets Net cash used in investing activities		(36,417,448) (933,441) (76,807) (37,427,696)	$ \begin{array}{c} (7,221,072) \\ (1,319,854) \\ (140,403) \end{array} $ $ \overline{(8,681,329)} $
Cash flows from financing activities			(8,081,329)
Deposit for shares		(050 050	4.024.424
Deposit for shares		6,872,959	4,934,434
Net cash from financing activities		6,872,959	4,934,434
Net increase in cash and cash equivalents Cash and cash equivalents at 1 January		26,866,238 40,824,432	17,311,017 23,513,415
Cash and cash equivalent at 31 December	15.1	67,690,670 =====	40,824,432