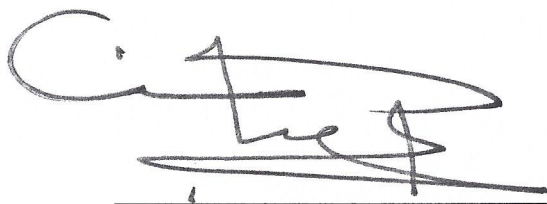


Social Insurance Organization

CONSOLIDATED STATEMENT OF NET ASSETS

31 December 2013

| | Note | 2013 BD '000 | 2012 BD '000 |
|--|------|------------------|------------------|
| ASSETS | | | |
| Cash balances and deposits with banks | 7 | 1,275,198 | 1,328,955 |
| Social insurance contributions receivable | 8 | 57,969 | 60,822 |
| Receivables and other assets | 9 | 38,072 | 30,688 |
| Social insurance benefits: | | | |
| Assumed and past services receivable | 10 | 47,404 | 43,117 |
| Scheme members' loans | 11 | 20,106 | 18,809 |
| Early extinguishment loans | 12 | 118,259 | 108,218 |
| Loans to financial institutions | 13 | 11,311 | 28,275 |
| Investment securities: | | | |
| Investments carried at fair value through profit or loss | 14 | 480,658 | 302,304 |
| Available-for-sale investments | 15 | 509,562 | 499,364 |
| Held-to-maturity investments | 16 | 424,451 | 338,037 |
| Investment in associates | 17 | 202,855 | 181,176 |
| Investment properties | 18 | 205,489 | 205,700 |
| Property and equipment | 19 | 42,423 | 42,339 |
| TOTAL ASSETS | | 3,433,757 | 3,187,804 |
| LIABILITY | | | |
| Payables and other liabilities | 20 | 32,722 | 17,841 |
| TOTAL LIABILITY | | 32,722 | 17,841 |
| TOTAL NET ASSETS | | 3,401,035 | 3,169,963 |
| REPRESENTED BY: | | | |
| Members' funds | | 3,282,902 | 3,072,519 |
| Investment securities fair value reserve | 30 | 103,905 | 86,082 |
| Land revaluation reserve | 30 | 13,146 | 10,526 |
| Non-controlling interests | 30 | 1,082 | 836 |
| | | 3,401,035 | 3,169,963 |



Aref Saleh Khamis
Chairman



Dr. Zakaria Sultan Al Abbasi
Chief Executive Officer

Social Insurance Organization

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

Year ended 31 December 2013

| | Note | 2013 BD '000 | 2012 BD '000 |
|---|------|------------------|------------------|
| Contributions and benefits | | | |
| Social insurance contributions | 21 | 337,746 | 336,871 |
| Assumed and past services income | | 25,026 | 19,051 |
| Social allowances compensation | | 4,337 | 6,707 |
| Reimbursement from Ministry of Finance | 22 | 7,312 | 5,243 |
| Total contributions | | 374,421 | 367,872 |
| Total benefits | 23 | (318,021) | (272,806) |
| Net contributions relating to members | | 56,400 | 95,066 |
| Net income from investment securities | 24 | 102,329 | 53,087 |
| Net income from investment properties | 25 | 1,997 | 1,895 |
| Share of profits of associates - net | 17 | 19,624 | 19,819 |
| Interest income | 26 | 45,331 | 42,154 |
| Other operating income | | 2,499 | 3,133 |
| Total income | | 228,180 | 215,154 |
| Expenses | | | |
| Staff costs | 27 | 8,252 | 6,950 |
| General and administrative expenses | | 2,840 | 1,995 |
| Depreciation | 19 | 552 | 555 |
| Total expenses | | 11,644 | 9,500 |
| NET INCOME FOR THE YEAR BEFORE IMPAIRMENT LOSSES | | 216,536 | 205,654 |
| Impairment losses on investments and receivables | 28 | (5,530) | (14,628) |
| NET INCOME FOR THE YEAR | | 211,006 | 191,026 |
| Attributable to: | | | |
| Equity holders of the parent | | 210,741 | 190,503 |
| Non-controlling interest | | 265 | 523 |
| | | 211,006 | 191,026 |
| Other Comprehensive Income: | | | |
| <i>Other comprehensive income (loss) to be reclassified to the consolidated statement of changes in net assets in subsequent periods:</i> | | | |
| Net movement in investment securities fair value reserve | 15 | 12,858 | (151) |
| Net movement in the share of associates' reserves during the year | 30 | 4,965 | 8,494 |
| Net movement in the share of associates' other reserves during the year | | (291) | (87) |
| Others | | 56 | (166) |
| <i>Other comprehensive income (loss) not to be reclassified to the consolidated statement of changes in net assets in subsequent periods:</i> | | | |
| Share in the land revaluation reserve of associates | 30 | 2,620 | - |
| Net movement in the share of associates' other reserves during the year | | (142) | - |
| OTHER COMPREHENSIVE INCOME FOR THE YEAR | | 20,066 | 8,090 |
| Net increase in net assets attributable to members' funds | | 231,072 | 199,116 |
| Total net assets attributable to members' funds at 1 January | | 3,169,963 | 2,970,847 |
| TOTAL NET ASSETS ATTRIBUTABLE TO MEMBERS' FUNDS AT 31 DECEMBER | | 3,401,035 | 3,169,963 |

Aref Saleh Khamis
Chairman

Dr. Zakaria Sultan Al Abbasi
Chief Executive Officer

Social Insurance Organization

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2013

| | Note | 2013 BD '000 | 2012 BD '000 |
|---|-----------|-----------------|-----------------|
| OPERATING ACTIVITIES | | | |
| Net income for the year | | 211,006 | 191,026 |
| Adjustments for: | | | |
| Depreciation on property and equipment | 19 | 552 | 555 |
| Depreciation on investment properties | 18 | 672 | 666 |
| Unrealised fair value gain on investments carried at fair value through profit or loss | 14 | (69,288) | (29,261) |
| Gain from sale of available-for-sale investments | 24 | (10,755) | (2,796) |
| Gain from sale of investments carried at fair value through profit or loss | 24 | (5,181) | - |
| Dividend income | 24 | (16,790) | (20,693) |
| Interest income on assets carried at amortised cost | 26 | (45,331) | (42,154) |
| Share of profits of an associates - net | 17 | (19,624) | (19,819) |
| Income from investment properties | 25 | (2,911) | (3,039) |
| Provision on loans to financial institutions written back | 28 | (943) | - |
| Impairment losses on rent receivable | 9 | 126 | - |
| Impairment losses on social insurance contribution receivable | 8 | 4,063 | 7,628 |
| Impairment losses on investments | 28 | 2,284 | 7,000 |
| Social insurance benefits receivable written off | 23 | 656 | 455 |
| Other movements in net assets | | 1 | (166) |
| Operating profit before working capital changes | | 48,537 | 89,402 |
| Working capital changes: | | | |
| Social insurance contributions receivable | | (1,210) | (17,197) |
| Receivables and other assets | | (6,950) | (6) |
| Assumed and past services receivable | | (4,370) | (3,696) |
| Scheme members' loans | | (1,351) | 3,444 |
| Early extinguishment loans | | (10,560) | (6,814) |
| Payables and other liabilities | | 14,881 | 948 |
| Net cash flows from operating activities | | 38,977 | 66,081 |
| INVESTING ACTIVITIES | | | |
| Loans to financial institutions received | 13 | 17,907 | 11,310 |
| Purchase of investments carried at fair value through profit or loss | 14 | (204,633) | (77) |
| Purchase of available-for-sale investments | 15 | (43,145) | (21,243) |
| Purchase of held-to-maturity investments | 16 | (137,360) | (80,657) |
| Purchase of property and equipment | 19 | (636) | (261) |
| Proceeds from sale of investments carried at fair value through profit or loss | | 100,748 | 164 |
| Proceeds from sale of available-for-sale investments | | 54,219 | 25,052 |
| Redemption of held-to-maturity investments | 16 | 51,002 | 78,036 |
| Dividends received | 17 and 24 | 21,886 | 28,158 |
| Movements in term deposits | | (532,937) | (373,018) |
| Interest income received | 9 and 26 | 44,928 | 40,342 |
| Income received from investment properties | | 2,350 | 3,039 |
| Net cash flows used in investing activities | | (625,671) | (289,155) |
| DECREASE IN CASH AND CASH EQUIVALENTS | | | |
| Cash and cash equivalents at 1 January | | 810,579 | 1,033,653 |
| CASH AND CASH EQUIVALENTS AT 31 DECEMBER | 7 | 223,885 | 810,579 |