

Bank Mellī Iran
Consolidated Balance Sheet
As at March 20th, 2007

Assets	20.03.2007 million RIs	(Revised) 20.03.2006 million RIs	Liabilities & Shareholders' Equity	20.03.2007 million RIs	(Revised) 20.03.2006 million RIs
Current assets:			Current liabilities:		
Cash	9,422,556	6,871,667	Trade accounts & notes payable	4,503,966	3,870,094
Short-term investments	5,411,181	5,591,801	Debt to Central Bank of Iran	37,839,859	29,996,422
Trade accounts & notes receivable	7,592,248	6,877,107	Debt to banks & credit institutions	16,442,632	10,594,644
Receivables from Central Bank	49,937,624	53,851,210	Debt of bank for accepting documents of letters of credit & time bills	19,285,844	27,154,553
Receivables from banks & credit institutions	45,768,736	34,231,422	Demand deposits	135,740,165	100,795,679
Receivables from Government	28,712,059	32,459,201	Other accounts & notes payable	13,107,959	12,753,954
Loans granted & receivables from governmental sector	5,084,263	2,263,531	Advances received	1,480,097	1,850,535
Loans granted & receivables from non-governmental sector	191,181,883	138,483,461	Saving deposits & similar	19,180,133	14,961,900
Debtors for letters of credit & time bills	17,621,426	25,040,484	Long-term investment deposits	120,567,524	93,925,210
Other accounts & notes receivable	1,918,265	1,617,379	Other deposits	21,683,468	20,489,914
Inventories & ongoing projects	4,140,294	4,371,376	Tax provision	2,790,359	2,990,690
Orders & prepayments	1,762,837	1,195,112	Proposed & payable dividend	796,199	2,629,311
Cash in transit	24,009,780	10,173,457	Received financial facilities	2,954,072	2,459,136

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Total current assets	392,563,153	323,027,209	Total current liabilities	396,372,277	324,472,042
Fixed tangible assets	31,879,406	28,295,241	Long-term accounts payable	16,151	149,458
Cost of project	1,848,674	1,757,873	Long-term financial facilities received	1,993,937	665,182
Intangible assets	164,260	89,753	Employees' work termination benefit	2,487,025	1,945,812
Goodwill	5,326,509	5,608,374			
Long-term investment in affiliated companies	1,758,005	1,778,002			
Other long-term investments	9,363,288	3,422,964			
Other assets	4,672,303	5,995,499	Total non-current liabilities	4,497,113	2,760,451
Total non-current assets	55,012,445	46,947,706	Total liabilities	400,869,390	327,232,493
			Shareholders' equity:		
			Capital	22,400,000	22,400,000
			Difference from changes in foreign exchange rates	2,792,949	2,666,264
			Legal reserve	367,924	332,559
			Capital reserve	2,308,725	2,204,056
			Other reserves	463,151	296,900
			Retained earnings (loss)	11,029,187	10,187,494
			Surplus of retained loss of minority interest	(270,002)	(153,101)
			Total shareholders' equity of the main company	39,091,933	37,934,172
			Minority interest	7,614,274	4,808,251
			Total shareholders' equity	46,706,207	42,742,423
Total assets	447,575,597	369,974,916	Total liabilities & shareholders' equity	447,575,597	369,974,916



Bank Melli Iran
Consolidated Retained Earnings Statement
For the Year Ended March 20th, 2007

	2006/07		(Revised)
	million RIs	million RIs	2005/06 million RIs
Net profit		1,714,334	1,694,617
Retained earnings at the beginning of the year	3,385,651		6,426,293
Prior years' adjustments	<u>6,801,843</u>		<u>3,698,696</u>
Retained earnings at the beginning of the year - adjusted		<u>10,187,494</u>	<u>10,124,989</u>
Allocable profit		11,901,828	11,819,606
Consolidated prior years' adjustments		(32,340)	46,429
Profit allocation:			
Legal reserve	(42,290)		(28,112)
Capital reserve	(80,481)		(546,142)
Other reserves	(166,999)		(204,087)
Dividend accounts	-		(272,115)
Transfer to cost of project	(103,047)		(82,069)
Bonus of the Board of Directors (affiliated Companies)	(2,153)		(1,785)
40% declared profit, according to Article G-1 Budget Law 2006/07	<u>(445,330)</u>		<u>(544,231)</u>
		<u>(840,300)</u>	<u>(1,678,541)</u>
Retained earnings at the end of the year		<u>11,029,187</u>	<u>10,187,494</u>
Minority interest		<u>2,474,600</u>	<u>822,492</u>



Bank Melli Iran
Consolidated Income Statement
For the Year Ended March 20th, 2007

	2006/07	(Revised) 2005/06
	million RIs	million RIs
Income from banking services	17,205,352	13,513,892
Sales of goods & income from other services	<u>17,316,723</u>	<u>15,467,495</u>
Total sales & incomes	<u>34,522,075</u>	<u>28,981,388</u>
Cost of banking services	(18,038,841)	(12,670,405)
Cost of goods sold & services rendered	<u>(12,059,764)</u>	<u>(11,196,918)</u>
	<u>(30,098,606)</u>	<u>(23,867,323)</u>
Gross profit	4,423,469	5,114,065
Profit from operating investments	1,625,496	2,445,003
Sales, general & administrative expenses	(1,167,657)	(866,858)
Net other incomes & operating expenses	<u>(817,849)</u>	<u>(736,595)</u>
	<u>(1,985,506)</u>	<u>(1,603,453)</u>
Operating profit	4,063,460	5,955,615
Financial expenses	(662,875)	(510,887)
Net other incomes & non-operating expenses	<u>1,267,312</u>	<u>478,422</u>
	<u>604,437</u>	<u>(32,466)</u>
Profit before considering group's share from the profit of affiliated companies	4,667,897	5,923,150
Group's share from profit of affiliated companies	<u>338,195</u>	<u>152,216</u>
Profit before tax & profit of the period before acquiring affiliated company	5,006,093	6,075,366
Profit of the period before acquiring affiliated company (Shafa Darou Group)	<u> </u>	<u>(67,529)</u>
Profit before tax	5,006,093	6,007,837
Taxation	<u>(879,372)</u>	<u>(2,384,029)</u>
Net Profit	<u>1,714,334</u>	<u>1,694,617</u>
Minority interest	<u>2,412,387</u>	<u>1,929,191</u>



Bank Melli Iran
Consolidated Cash Flows Statement
For the Year Ended March 20th, 2007

	2006/07	(Revised) 2005/06
	million RIs	million RIs
Operating Activities:		
Net cash inflow from operating activities	<u>9,769,784</u>	<u>9,556,227</u>
Return on investments & interest paid on financing:		
Dividend received	1,584,648	1,648,650
Dividend paid to shareholders	<u>(1,857,244)</u>	<u>(220,073)</u>
Net cash outflow as the result of return on investments & profit paid on financing	<u>(272,596)</u>	<u>1,428,577</u>
Income tax:		
Income tax paid	<u>(1,079,703)</u>	<u>(1,654,145)</u>
Investment activities:		
Cash paid for purchase, construction & completion of fixed tangible & intangible assets	(5,264,925)	(2,507,791)
Increase in cost of project implementation	(193,848)	(273,114)
Proceedings from sales of fixed tangible assets	721,069	269,794
Funds earned from sales of short-term & long-term investments & participation	(6,304,636)	(2,235,132)
Proceedings from sales of investments	<u>1,211,583</u>	<u>649,481</u>
Cash outflow from investment activities	<u>(9,830,757)</u>	<u>(4,096,762)</u>
Net (decrease) increase in cash balance	(1,413,272)	5,233,897
Cash balance at the beginning of the year	<u>19,254,085</u>	<u>14,020,188</u>
Cash balance at the end of the year	<u>17,840,813</u>	<u>19,254,085</u>