



**“AMUNDI-ACBA ASSET MANAGEMENT” CJSC  
Balanced Pension Fund**

**INTERIM CONDENSED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017 (UNAUDITED)**

**"AMUNDI-ACBA ASSET MANAGEMENT" CJSC Balanced Pension Fund**

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**"AMUNDI-ACBA ASSET MANAGEMENT" CJSC Balanced Pension Fund**

**INTERIM CONDENSED BALANCE SHEET AS OF SEPTEMBER 30, 2017**

IN AMD	ASSETS	
	September 30, 2017 (unaudited)	December 31, 2016
<b>Fixed Assets, net</b>	<b>0.00</b>	<b>0.00</b>
<b>Deposits</b>	<b>303,765,279.44</b>	<b>221,732,397.25</b>
<b>Financial instruments</b>	<b>855,754,165.93</b>	<b>694,921,393.06</b>
<b>Equities and similar securities</b>	<b>0.00</b>	<b>0.00</b>
Traded in a regulated market or equivalent	0.00	0.00
Not traded in a regulated market or equivalent	0.00	0.00
<b>Bonds and similar securities</b>	<b>552,930,371.95</b>	<b>453,779,423.87</b>
Traded in a regulated market or equivalent	552,930,371.95	453,779,423.87
Not traded in a regulated market or equivalent	0.00	0.00
<b>Credit instruments</b>	<b>0.00</b>	<b>0.00</b>
Traded in a regulated market or equivalent	0.00	0.00
<i>Negotiable credit instruments (Notes)</i>	<i>0.00</i>	<i>0.00</i>
<i>Other credit instruments</i>	<i>0.00</i>	<i>0.00</i>
Not traded in a regulated market or equivalent	0.00	0.00
<b>Collective investment undertakings</b>	<b>302,823,793.98</b>	<b>241,141,969.19</b>
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries	186,343,597.97	186,756,376.74
Other Funds intended for non-professionals and equivalents in other EU Member States	0.00	0.00
General-purpose professional funds and equivalents in other EU Member States and listed securitisation entities	0.00	0.00
Other professional investment funds and equivalents in other EU Member States and listed securitisation agencies	0.00	0.00
Other non-European entities	116,480,196.01	54,385,592.45
<b>Temporary transactions in securities</b>	<b>0.00</b>	<b>0.00</b>
Credits for securities held under sell-back deals	0.00	0.00
Credits for loaned securities	0.00	0.00
Borrowed securities	0.00	0.00
Securities sold under buy-back deals	0.00	0.00
Other temporary transactions	0.00	0.00
<b>Hedges</b>	<b>0.00</b>	<b>0.00</b>
Hedges in a regulated market or equivalent	0.00	0.00
Other hedges	0.00	0.00
<b>Other financial instruments</b>	<b>0.00</b>	<b>0.00</b>
<b>Receivables</b>	<b>0.00</b>	<b>0.00</b>
Forward currency transactions	0.00	0.00
Other	0.00	0.00
<b>Financial accounts</b>	<b>15,888,213.12</b>	<b>33,034,300.03</b>
Cash and cash equivalents	15,888,213.12	33,034,300.03
<b>Total assets</b>	<b>1,175,407,658.49</b>	<b>949,688,090.34</b>

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INTERIM CONDENSED BALANCE SHEET AS OF SEPTEMBER 30, 2017

IN AMD	LIABILITIES	
	September 30, 2017 (unaudited)	December 31, 2016
<b>Shareholders' funds</b>		
Capital	1,123,845,187.27	859,275,710.14
Allocation Report of distributed items (a)	0.00	0.00
Brought forward (a)	0.00	0.00
Allocation Report of distributed items on net Income (a,b)	3,841,027.12	9,803,927.83
Result (a,b)	46,238,057.38	52,257,592.74
<b>Total net shareholders' funds (net assets)</b>	<b>1,173,924,271.77</b>	<b>921,337,230.71</b>
<b>Financial instruments</b>	<b>0.00</b>	<b>0.00</b>
Transfers of financial instruments	0.00	0.00
Temporary transactions in securities	0.00	0.00
Sums owed for securities sold under buy-back deals	0.00	0.00
Sums owed for borrowed securities	0.00	0.00
Other temporary transactions	0.00	0.00
<b>Hedges</b>	<b>0.00</b>	<b>0.00</b>
Hedges in a regulated market or equivalent	0.00	0.00
Other hedges	0.00	0.00
<b>Payables</b>	<b>1,483,386.72</b>	<b>28,350,859.63</b>
Forward currency transactions	0.00	
Other	1,483,386.72	28,350,859.63
<b>Financial accounts</b>	<b>0.00</b>	<b>0.00</b>
Short-term credit	0.00	0.00
Loans received	0.00	0.00
<b>Total liabilities</b>	<b>1,175,407,658.49</b>	<b>949,688,090.34</b>

(a) Including adjustment

(b) Decreased interim distribution paid during the business year

Approved for issuance on October 25, 2017

Jean Mazedjian  
Pension Fund Manager's Executive Officer



**"AMUNDI-ACBA ASSET MANAGEMENT" CJSC Balanced Pension Fund**

**INTERIM CONDENSED INCOME STATEMENT FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017**

IN AMD	Period from January 1, 2017 to September 30, 2017 (unaudited)	Period from January 1, 2016 to December 31, 2016
<b>Revenues from financial operations</b>		
Revenues from deposits and financial accounts	19,486,139.26	19,555,881.17
Revenues from equities and similar securities	494,811.14	430,492.81
Revenues from bonds and similar securities	31,864,819.90	32,995,587.10
Revenues from credit instruments	0.00	0.00
Revenues from temporary acquisition and disposal of securities	0.00	0.00
Revenues from hedges	0.00	0.00
Other financial revenues	165,108.86	871,889.26
<b>Total (1)</b>	<b>52,010,879.16</b>	<b>53,853,850.34</b>
<b>Charges on financial operations</b>		
Charges on temporary acquisition and disposal of securities	0.00	0.00
Charges on hedges	0.00	0.00
Charges on financial debts	29,534.30	0.00
Other financial charges	0.00	0.00
<b>Total (2)</b>	<b>29,534.30</b>	<b>0.00</b>
<b>Net income from financial operations (1 - 2)</b>	<b>51,981,344.86</b>	<b>53,853,850.34</b>
Other income (3)	0.00	0.00
Management fees and depreciation provisions (4)	10,474,745.83	9,661,180.77
<b>Net income of the period (L.214-17-1) (1-2+3-4)</b>	<b>41,506,599.03</b>	<b>44,192,669.57</b>
Revenue adjustment (5)	4,731,458.35	8,064,923.17
Interim Distribution on Net Income paid during the period (6)	0.00	0.00
<b>Net profit (1 - 2 + 3 - 4 + 5 + 6)</b>	<b>46,238,057.38</b>	<b>52,257,592.74</b>

Approved for issuance on October 25, 2017

  
Jean Mazedjian  
Pension Fund Manager's Executive Officer



## **NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017**

### **1. ACCOUNTING RULES AND METHODS**

The interim condensed financial statements are prepared in accordance with French Generally Accepted Accounting Principles (French GAAP). The interim condensed financial statements are presented in the form stipulated by ANC Regulation 2014-1, which annuls CRC Regulation 2003-02 as amended. The regulation includes the new AIFM classification of mutual funds, but does not alter the applicable accounting standards or the methods for evaluating assets and liabilities.

As indicated in the introductory note of the French accounting standards authority (ANC), the terminology and the distribution of the mutual fund heading under assets in the statement of financial position were amended as follows and can be detailed in the following way:

- The sub-heading "UCITS and general-purpose investment funds intended for non-professionals and equivalents in other countries" corresponds to the former sub-heading "Coordinated European UCITS and general-purpose French UCITS".
- The sub-heading "Other Funds for non-professionals and equivalents in other Member States of the European Union" corresponds to the former sub-heading "UCITS reserved for certain investors - venture capital funds - futures funds".
- The sub-heading "General-purpose professional funds and equivalents in other Member States of the European Union and listed securitisation entities" corresponds to the former sub-heading "Investment funds and listed SPVs."
- The sub-heading "Other professional funds and equivalents in other Member States of the European Union and unlisted securitisation entities" corresponds to the former sub-heading "Investment funds and unlisted SPVs."
- The sub-heading "Other non-European entities" was introduced by Regulation 2014-01.

The following General accounting principles apply, via:

- fair picture, comparability, going concern,
- proper practice & trustworthiness,
- prudence,
- no unreported change in methods from one period to the next.

Revenues from fixed-yield securities are recognized on the basis of interest actually received. Acquisitions and disposals of securities are recognized at cost.

The accounting currency of the portfolio is the Armenian Dram (AMD).

The accounting period reported on is the period from January 1, 2017 to September 30, 2017.

The Manager of the Fund is "AMUNDI-ACBA ASSET MANAGEMENT" CJSC. The Fund administration is carried out by CACEIS Fund Administration. The custodian and the registrar of participants is the Central Depository of Armenia OJSC.

#### **Asset valuation rules:**

Financial instruments are initially recognized at historic cost and carried on the Balance Sheet at their current value: this is their latest known market value or, in the absence of a market, is determined by any external means or by recourse to financial models.

Differences between the securities' current values determined as above and their original historic cost are recognized in the accounts as "differences on estimation". Transactions with securities are recorded at trade date.

Securities denominated in a currency other than that of the portfolio are valued in accordance with the above principle and then converted into the currency of the portfolio at the exchange rate obtained on the valuation date.

#### **Deposits:**

Deposits are valued according to the linear method.

#### **Equities, bonds and other securities traded in a regulated market or equivalent:**

When calculating the NAV, the equities and other securities traded in a regulated market or equivalent are valued based on the day's closing market price.

Bonds and similar securities are valued at the closing price notified by various financial service providers. Interest accrued on bonds and similar securities is calculated up to the date of asset valuation.

Armenian Treasury bonds are valued using the market rate published daily by the Central Bank of Armenia.

#### **Equities, bonds and other securities not traded in a regulated market or equivalent:**

Securities not traded in a regulated market are valued by the Fund Manager using methods based on net equity and yield, taking into account the prices retained in significant recent transactions.

#### **Negotiable credit instruments (Notes):**

Negotiable credit instruments, which are not actively traded in significant amounts, are actuarially valued on the basis of a reference rate as specified below, plus any enhancement to represent the issuer's intrinsic characteristics:

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Notes maturing in one year's time or less: euro interbank offered rate (Euribor);

Notes maturing in more than one year's time: the prevailing rate on medium-term interest-bearing Treasury notes or, for the longest Notes (BTAN), on near-term fungible Treasury bonds (OAT);

Negotiable credit instruments maturing in three months or sooner may be valued according to the linear method.

Armenian Treasury notes are valued using the market rate published daily by the Central Bank of Armenia.

**UCITS held:**

UCITS units or shares are valued at the latest known NAV.

**Temporary transactions in securities:**

Securities held under sell-back deals are carried in Assets under "credits for securities held under sell-back deals" at the amount provided for in the contract, plus accrued interest receivable.

Securities sold under buy-back deals are booked to the buying portfolio at their current value. The corresponding debt is booked to the selling portfolio at the value set in the contract plus accrued interest payable.

Loaned securities are valued at their current value and carried in Assets under "credits for loaned securities" at their current value plus accrued interest receivable.

Borrowed securities are carried in Assets under "borrowed securities" at the amount provided for in the contract, and in Liabilities under "debts for borrowed securities" at the amount provided for in the contract plus accrued interest payable.

**Hedges:**

**Hedges traded in a regulated market or equivalent:**

Hedge instruments traded in regulated markets are valued at the day's settlement price.

**Hedges not trades in a regulated market or equivalent:**

**Swaps:**

Rate swaps and/or forward currency transactions are valued at their market value according to the price calculated by discounting future interest streams at market interest (and/or exchange) rates. This price is adjusted for default risk.

Index swaps are valued actuarially on the basis of a reference rate provided by the counterparty. Other swaps are valued at their market value or are estimated as specified by the Fund Manager.

**Off-Balance Sheet Commitments:**

Firm hedging contracts are stated among "Off-Balance Sheet Commitments" at their market value at the rate used in the portfolio.

Conditional hedges are converted into their underlying equivalents.

Swap commitments are stated at their nominal value or at an equivalent amount, where there is no nominal value.

**Management fees:**

Management fees are calculated on the net asset value of the Fund. These fees are imputed to the fund's Income Statement. Management fees are paid in full to the Fund Manager, which bears all the fund's operating costs, except for audit fees and guarantee fund payments. The management fees do not include dealing costs. Management fee is calculated at 1.3 % including any applicable taxes.

**Allocation of net profit:**

The net profit (loss) for the period is the total of interest, arrears, premiums, allotments and dividends, plus income on ready cash, minus management fees and financial dealing costs. Latent or realised capital gains or losses are not counted as revenue, nor are subscription/redemption fees.

The amounts available for distribution are the net profit for the period, plus any sums brought forward, plus or minus the balance of any revenue adjustment accounts relating to the financial period in question.

**Equalization of units issued during the period:**

**Revenue adjustment:**

All holders should receive the same per unit distributable income, whatever the date of their subscription. A corrective mechanism, recorded in the account "Revenue adjustment" neutralizes the effect of subscriptions and redemptions on income per unit. At each calculation of net asset value, the Fund determines distributable income. The unit performance is not affected by the subscriptions and redemptions. The revenue adjustment mechanism ensures neutrality of subscriptions and redemptions on the distributable

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income per unit.