

Bank: JSC VTB Bank (Georgia)  
Date: 30/09/12

Table N1

## Balance Sheet

Lari

N	ASSETS	Financial Period			Previous Period		
		Lari	Foreign currency	Total	Lari	Foreign currency	Total
1	Cash	11,328,966	18,029,370	29,358,336	9,930,820	6,226,995	16,157,815
2	Due from NBG	11,034,134	31,787,651	42,821,785	9,061,847	25,253,002	34,314,849
3	Due from Banks	1,350	17,049,875	17,051,225	8,674,077	21,151,381	29,825,458
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	13,415,446	0	13,415,446	16,670,484	0	16,670,484
6.1	Loans	110,815,342	231,603,026	342,418,368	81,261,008	184,695,628	265,956,636
6.2	Less: Loan Loss Reserves	(3,830,172)	(28,332,808)	(32,162,980)	(2,514,263)	(25,637,044)	(28,151,307)
6	Net Loans	106,985,170	203,270,218	310,255,388	78,746,745	159,058,584	237,805,329
7	Accrued Interest and Dividends Receivable	1,967,185	1,434,480	3,401,665	1,269,709	1,162,683	2,432,392
8	Other Real Estate Owned & Repossessed Assets	10,450,372	X	10,450,372	10,094,358	X	10,094,358
9	Equity Investments	54,200	0	54,200	94,200	0	94,200
10	Fixed Assets and Intangible Assets	35,243,445	X	35,243,445	31,695,002	X	31,695,002
11	Other Assets	12,037,971	2,061,631	14,099,602	12,570,712	1,152,962	13,723,674
12	<b>TOTAL ASSETS</b>	<b>202,518,239</b>	<b>273,633,225</b>	<b>476,151,464</b>	<b>178,807,954</b>	<b>214,005,607</b>	<b>392,813,561</b>
	<b>LIABILITIES</b>						
13	Due to Banks	11,743,178	34,587	11,777,765	490,970	8,338,234	8,829,204
14	Current (Accounts) Deposits	69,916,191	31,795,488	101,711,679	62,535,084	23,879,850	86,414,934
15	Demand Deposits	12,705,449	14,681,470	27,386,919	10,634,127	11,518,691	22,152,818
16	Time Deposits	6,938,669	88,865,988	95,804,657	4,069,178	50,708,716	54,777,894
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	0	142,403,568	142,403,568	0	117,585,940	117,585,940
19	Accrued Interest and Dividends Payable	550,267	4,478,310	5,028,577	405,491	3,437,783	3,843,274
20	Other Liabilities	4,973,585	1,869,426	6,843,011	5,637,268	2,682,670	8,319,938
21	Subordinated Debentures	0	19,911,600	19,911,600	0	19,932,000	19,932,000
22	<b>Total Liabilities</b>	<b>106,827,339</b>	<b>304,040,437</b>	<b>410,867,776</b>	<b>83,772,118</b>	<b>238,083,884</b>	<b>321,856,002</b>
	<b>SHAREHOLDERS' EQUITY</b>						
23	Common Stock	148,042,701	X	148,042,701	148,042,701	X	148,042,701
24	Preferred Stock	0	X	0	0	X	0
25	Less: Repurchased Shares	0	X	0	0	X	0
26	Share Premium	0	X	0	0	X	0
27	General Reserves	0	X	0	0	X	0
28	Retained Earnings	(84,088,457)	X	(84,088,457)	(78,496,580)	X	(78,496,580)
29	Asset Revaluation Reserves	1,329,444	X	1,329,444	1,411,438	X	1,411,438
30	<b>Total Shareholders' Equity</b>	<b>65,283,688</b>	<b>X</b>	<b>65,283,688</b>	<b>70,957,559</b>	<b>X</b>	<b>70,957,559</b>
31	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>172,111,027</b>	<b>304,040,437</b>	<b>476,151,464</b>	<b>154,729,677</b>	<b>238,083,884</b>	<b>392,813,561</b>

Financial Director

Deputy Head of Reporting Department



M. Menteshashvili

I. Chakhnashvili

Bank: JSC VTB Bank (Georgia)

Date: 30-Sep-12

Table N2

## Income Statement

Lari

N		Financial Period			Previous Period		
		Lari	Foreign currency	Total	Lari	Foreign currency	Total
	<b>Interest Income</b>						
1	Interest Income from Bank's "Nostro" and Deposit Accounts	578,299	58,442	636,741	724,760	140,296	865,056
2	Interest Income from Loans	14,020,191	25,013,785	39,033,976	11,082,903	21,338,471	32,421,374
2.1	from the Interbank Loans	0	0	0	0	0	0
2.2	from the Retail or Service Sector Loans	1,471,759	8,339,680	9,811,439	2,436,152	7,080,059	9,516,211
2.3	from the Energy Sector Loans	511,861	324,049	835,910	294,442	2,171,131	2,465,573
2.4	from the Agriculture and Forestry Sector Loans	47,689	7,345	55,034	25,946	25,838	51,784
2.5	from the Construction Sector Loans	266,781	4,262,271	4,529,052	483,630	3,711,865	4,195,495
2.6	from the Mining and Mineral Processing Sector Loans	385,919	2,528,983	2,914,903	89,871	1,035,677	1,125,548
2.7	from the Transportation or Communications Sector Loans	320,644	129,318	449,962	49,700	277,121	326,821
2.8	from Individuals Loans	10,073,896	6,342,589	16,416,485	7,332,403	4,689,288	12,021,691
2.9	from Other Sectors Loans	941,642	3,079,549	4,021,191	370,760	2,347,491	2,718,251
3	Incomes from penalties/fines according to the loans issued to the clients	0	0	0	0	0	0
4	Interest and Discount Income from Securities	1,140,296	0	1,140,296	2,433,705	0	2,433,705
5	Other Interest Income	206,261	4,123	210,384	0	4,796	4,796
6	<b>Total Interest Income</b>	<b>15,945,047</b>	<b>25,076,350</b>	<b>41,021,397</b>	<b>14,241,368</b>	<b>21,483,563</b>	<b>35,724,931</b>
	<b>Interest Expense</b>						
7	Interest Paid on Demand Deposits	2,042,651	650,123	2,692,774	1,593,980	562,712	2,156,692
8	Interest Paid on Time Deposits	346,353	4,246,584	4,592,937	369,393	3,430,473	3,799,866
9	Interest Paid on Banks Deposits	119,904	114,883	234,787	72,181	111,421	183,602
10	Interest Paid on Own Debt Securities	0	0	0	0	0	0
11	Interest Paid on Other Borrowings	16,711	6,707,694	6,724,405	34,052	3,768,270	3,802,322
12	Other Interest Expenses	117,475	606,709	724,184	24,563	1,439	26,002
13	<b>Total Interest Expense</b>	<b>2,643,094</b>	<b>12,325,993</b>	<b>14,969,087</b>	<b>2,094,169</b>	<b>7,874,315</b>	<b>9,968,484</b>
14	<b>Net Interest Income</b>	<b>13,301,953</b>	<b>12,750,357</b>	<b>26,052,310</b>	<b>12,147,199</b>	<b>13,609,248</b>	<b>25,756,447</b>
	<b>Non-Interest Income</b>						
15	Net Fee and Commission Income	2,673,282	2,001,625	4,674,907	1,876,886	1,667,570	3,544,456
15.1	Fee and Commission Income	3,636,880	3,007,200	6,644,080	2,825,932	2,182,609	5,008,541
15.2	Fee and Commission Expense	963,598	1,005,575	1,969,173	949,046	515,039	1,464,085
16	Dividend Income	0	0	0	0	0	0
17	Gain (Loss) from Dealing Securities	0	0	0	0	0	0
18	Gain (Loss) from Investment Securities	0	0	0	(8,852)	0	(8,852)
19	Gain (Loss) from Foreign Exchange Trading	3,756,121	0	3,756,121	3,435,496	0	3,435,496
20	Gain (Loss) from Foreign Exchange Translation	(391,709)	0	(391,709)	(270,729)	0	(270,729)
21	Gain (Loss) on Sales of Fixed Assets	143,548	0	143,548	21,155	0	21,155
22	Non-Interest Income from other Banking Operations	133,026	0	133,026	77,944	16,485	94,429
23	Other Non-Interest Income	1,148,144	907,002	2,055,146	1,242,404	906,455	2,148,859
24	<b>Total Non-Interest Income</b>	<b>7,462,412</b>	<b>2,908,627</b>	<b>10,371,039</b>	<b>6,374,304</b>	<b>2,590,510</b>	<b>8,964,814</b>
	<b>Non-Interest Expenses</b>						
25	Non-Interest Expenses from other Banking Operations	946,705	197,048	1,143,753	485,806	264,003	749,809
26	Bank Development, Consultation and Marketing Expenses	1,736,972	160,016	1,896,988	1,183,307	239,276	1,422,583
27	Personnel Expenses	16,127,741	0	16,127,741	14,094,587	0	14,094,587
28	Operating Costs of Fixed Assets	320,087	0	320,087	180,660	0	180,660
29	Depreciation Expense	2,243,024	0	2,243,024	1,778,503	0	1,778,503
30	Other Non-Interest Expenses	3,127,572	47,427	3,174,999	2,382,404	284,130	2,666,534
31	<b>Total Non-Interest Expenses</b>	<b>24,502,101</b>	<b>404,491</b>	<b>24,906,592</b>	<b>20,105,267</b>	<b>787,409</b>	<b>20,892,676</b>
32	<b>Net Non-Interest Income</b>	<b>(17,039,689)</b>	<b>2,504,136</b>	<b>(14,535,553)</b>	<b>(13,730,963)</b>	<b>1,803,101</b>	<b>(11,927,862)</b>
33	<b>Net Income before Provisions</b>	<b>(3,737,736)</b>	<b>15,254,493</b>	<b>11,516,757</b>	<b>(1,583,764)</b>	<b>15,412,349</b>	<b>13,828,585</b>

34	Provision for Possible Loan Losses	1,226,390	X	1,226,390	(5,566,366)	X	(5,566,366)
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	1,238,434	X	1,238,434	1,088,665	X	1,088,665
37	<b>Total Provisions for Possible Losses</b>	2,464,824	0	2,464,824	(4,477,701)	0	(4,477,701)
38	<b>Net Income before Taxes and Extraordinary Items</b>	(6,202,560)	15,254,493	9,051,933	2,893,937	15,412,349	18,306,286
39	Taxation	685,148	0	685,148	2,549,870	0	2,549,870
40	<b>Net Income after Taxation</b>	(6,887,708)	15,254,493	8,366,785	344,067	15,412,349	15,756,416
41	Extraordinary Items	0		0	0		0
42	<b>Net Income</b>	(6,887,708)	15,254,493	8,366,785	344,067	15,412,349	15,756,416

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili



Bank: JSC VTB Bank (Georgia)

Date: 30-Sep-12

Table N3

Lari

## Off Balance Sheet Items

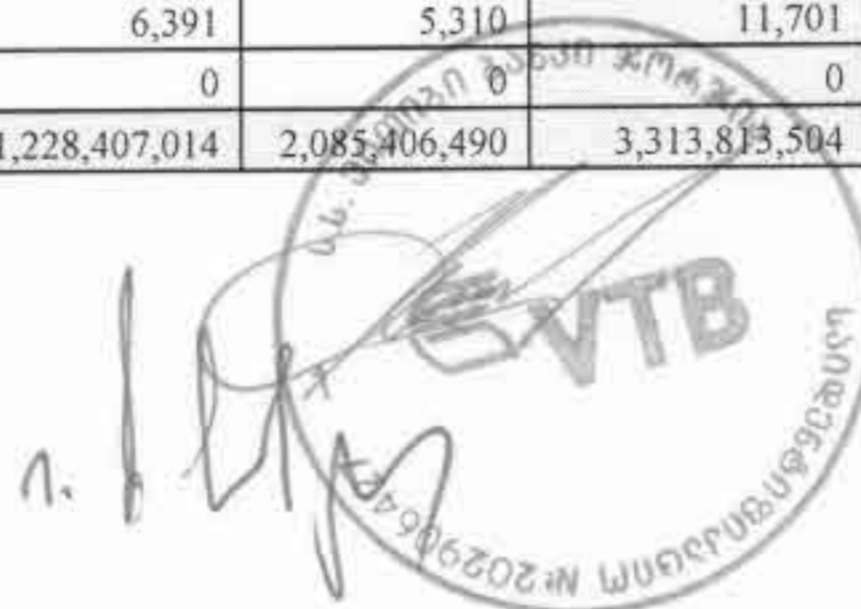
N		Financial Period			Previous Period		
		Lari	Foreign currency	Total	Lari	Foreign currency	Total
1	<b>Conditional Obligations</b>	837,889,197	1,836,810,707	2,674,699,904	2,985,693,302	758,190,987	3,743,884,289
1.1	Acceptances and Endorsements	0	0	0	0	0	0
1.2	Guarantees Given	5,878,323	22,183,125	28,061,448	12,400,740	10,144,608	22,545,348
1.3	Guarantees Received	751,961,013	973,214,543	1,725,175,556	2,880,633,012	0	2,880,633,012
1.4	Pledged Assets Given	0	0	0	0	0	0
1.5	Pledged Assets Received	80,049,861	841,413,039	921,462,900	92,337,121	748,046,379	840,383,500
1.6	Other Contingent Liabilities	0	0	0	322,429	0	322,429
2	<b>Legally Binding Obligations</b>	5,242,529	124,282,998	129,525,527	6,035,041	46,674,394	52,709,435
2.1	Funding Commitments of the Bank	5,242,529	46,232,420	51,474,949	6,035,041	18,206,985	24,242,026
2.2	Funding Commitments of other Parties	0	24,308,745	24,308,745	0	0	0
2.3	Commitments to Purchase Investment Securities	0	9,394	9,394	0	9,187	9,187
2.4	Commitments to Sell Investment Securities	0	0	0	0	0	0
2.5	Foreign Exchange Operations	0	27,255,470	27,255,470	0	14,037,420	14,037,420
2.6	Forward Foreign Exchange Contracts	0	26,476,969	26,476,969	0	14,420,802	14,420,802
2.7	Other Commitments	0	0	0	0	0	0
3	<b>Other Liabilities</b>	5,878,323	22,183,125	28,061,448	12,400,740	10,144,608	22,545,348
3.1	Obligation Of the Issuer (endorser) to the Bank	0	0	0	0	0	0
3.2	Clients' Liabilities	5,878,323	22,183,125	28,061,448	12,400,740	10,144,608	22,545,348
3.3	Third Parties' Clients' Liability to the Bank	0	0	0	0	0	0
4	<b>Items to be Held in Safekeeping</b>	3,190	69,171	72,361	2,993	84,796	87,789
4.1	Precious Metals	0	0	0	862	19,460	20,322
4.2	Securities	267	0	267	267	0	267
4.3	Other Items	2,923	69,171	72,094	1,864	65,336	67,200
5	<b>Interest Rate Contracts</b>	0	0	0	0	0	0
5.1	Notional Value of Interest Rate Swaps	0	0	0	0	0	0
5.2	Forward Contracts on Financial Instruments	0	0	0	0	0	0
5.3	Futures Contracts on Financial Instruments	0	0	0	0	0	0
5.4	Options	0	0	0	0	0	0
6	<b>Contracts on Commodities and Shareholders Capital</b>	0	0	0	0	0	0
6.1	Notional Value of Swaps	0	0	0	0	0	0
6.2	Forward Contracts	0	0	0	0	0	0
6.3	Futures Contracts	0	0	0	0	0	0
6.4	Options	0	0	0	0	0	0
7	<b>Unsettled Documents</b>	361,351,199	0	361,351,199	476,671,080	0	476,671,080
7.1	Accounting Documents not Paid in due Time by Re	361,351,199	0	361,351,199	476,671,080	0	476,671,080
7.2	Accounting Documents not Paid in due Time by Re	0	0	0	0	0	0
7.3	Unissued Capital	0	0	0	0	0	0
8	<b>Written Off Loans</b>	17,761,493	102,055,179	119,816,672	16,431,965	98,097,635	114,529,600
8.1	Unpaid Interest on Loans up to 31.12.2000	2,082,516	1,374,965	3,457,481	2,156,323	1,518,336	3,674,659
8.2	Unpaid Interest on Loans from to 01.01.2001	981,104	15,206,199	16,187,303	960,515	15,261,689	16,222,204
8.3	Problem Loans Written off up to 31.12.2000	40	0	40	0	0	0
8.4	Problem Loans Written off up to 01.01.2001	10,403,365	85,166,571	95,569,936	10,703,317	81,317,610	92,020,927
8.5	Other Written Off Assets	4,294,468	307,444	4,601,912	2,611,810	0	2,611,810
9	<b>Other Valuables and Documents</b>	281,083	5,310	286,393	308,390	6,032	314,422
9.1	Undistributed value parcels	5	0	5	0	0	0
9.2	Small value inventory	274,687	0	274,687	305,289	0	305,289
9.3	Strict reporting forms	6,391	5,310	11,701	3,101	6,032	9,133
9.4	Payment of Special Lottery	0	0	0	0	0	0
10	<b>Total</b>	1,228,407,014	2,085,406,490	3,313,813,504	3,497,543,511	913,198,452	4,410,741,963

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili



Bank: JSC VTB Bank (Georgia)

Date: 30-Sep-12

Table N4

**Economical Activities**

		Financial Period	Previous Period
	<b>Equity</b>		
1	Tier 1 Capital Ratio $\geq$ 8%	9.58%	11.49%
2	Regulatory Capital Ratio $\geq$ 12%	14.78%	20.08%
3	Risk Weighted Assets / Total Assets	119.90%	117.70%
4	Dividends / Net Income	83.36%	
	<b>Income</b>		
5	Total Interest Income / Average Annual Assets	12.13%	12.89%
6	Total Interest Expense / Average Annual Assets	4.43%	3.60%
7	Operational Result / Average Annual Assets	3.48%	5.08%
8	Net Interest Margin	7.71%	9.29%
9	Return on Assets (ROA)	2.47%	5.68%
10	Return on Equity (ROE)	16.58%	32.57%
	<b>Quality of Assets</b>		
11	Inactive loans / Total Loans	12.62%	16.48%
12	Loan Loss Reserves / Total Loans	9.39%	10.58%
13	Loans in Foreign Currency / Total Loans	67.64%	69.45%
14	Assets in Foreign Currency / Total Loans	57.47%	54.48%
15	Annual Growth Rate of Total Loans	12.60%	14.72%
	<b>Liquidity</b>		
16	Liquid Assets / Total Assets	21.28%	24.12%
17	Liabilities in Foreign Currency / Total Liabilities	74.00%	73.97%
18	Current and Demand Deposits / Total Assets	27.11%	27.64%

Financial Director

Deputy Head of Reporting Department

M. Menteshashvili

I. Chakhnashvili



Bank: JSC VTB Bank (Georgia)

Date: 30-Sep-12

**Information about Supervisory Council, Directorate and Shareholders**

sheet N5

<b>Members of Supervisory Council</b>		
1	Vasili Titov	
2	Mikheil Yakunin	
3	Ilya Vasiliev	
4	Grigol Lomidze	
5	Vsevolod Smakov	
<b>Members of Board of Directors</b>		
1	Archil Kontselidze	
2	Niko Chkhetiani	
3	Mamuka Menteshashvili	
4	Valerian Gabunia	
5	Vladimer Robakidze	
<b>List of Shareholders owning 1% and more of issued capita, indicating Shares</b>		
1	JSC VTB Bank	96.31%
2	LTD "Lakarpa Enterprises Limited"	2.08%
<b>List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares</b>		
1	Russian Federation	72.71%
2	Bank of New York International Nominees	15.68%

Financial Director

Deputy Head of Reporting Department



M. Menteshashvili

I. Chakhnashvili