

Bank: JSC VTB Bank (Georgia)

Date: 30/06/12

Table N1

## Balance Sheet

Lari

N	ASSETS	Financial Period			Previous Period		
		Lari	Foreign currency	Total	Lari	Foreign currency	Total
1	Cash	10,390,990	8,444,637	18,835,627	8,013,063	6,877,232	14,890,295
2	Due from NBG	8,467,652	29,390,075	37,857,727	14,472,565	26,865,810	41,338,375
3	Due from Banks	191,275	12,514,841	12,706,116	14,362,438	5,585,037	19,947,475
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	21,877,189	0	21,877,189	24,327,169	0	24,327,169
6.1	Loans	102,840,805	224,467,818	327,308,623	73,868,299	164,020,797	237,889,096
6.2	Less: Loan Loss Reserves	(3,561,937)	(32,687,935)	(36,249,873)	(2,146,866)	(24,022,287)	(26,169,154)
6	Net Loans	99,278,868	191,779,883	291,058,750	71,721,432	139,998,510	211,719,942
7	Accrued Interest and Dividends Receivable	1,735,404	1,517,598	3,253,002	1,171,046	1,423,841	2,594,887
8	Other Real Estate Owned & Repossessed Assets	10,526,137	X	10,526,137	10,380,390	X	10,380,390
9	Equity Investments	54,200	0	54,200	1,275,202	0	1,275,202
10	Fixed Assets and Intangible Assets	34,738,872	X	34,738,872	29,371,902	X	29,371,902
11	Other Assets	11,662,926	2,424,038	14,086,964	13,012,690	1,751,109	14,763,799
12	<b>TOTAL ASSETS</b>	<b>198,923,513</b>	<b>246,071,072</b>	<b>444,994,584</b>	<b>188,107,897</b>	<b>182,501,539</b>	<b>370,609,436</b>
	<b>LIABILITIES</b>						
13	Due to Banks	4,988,527	4,971,593	9,960,120	292,507	8,365,875	8,658,382
14	Current (Accounts) Deposits	68,617,224	24,800,913	93,418,137	70,214,321	26,540,401	96,754,722
15	Demand Deposits	13,061,182	13,613,647	26,674,829	9,913,930	11,630,849	21,544,779
16	Time Deposits	6,199,966	85,828,368	92,028,334	5,039,775	49,242,220	54,281,995
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	0	126,539,244	126,539,244	0	84,608,305	84,608,305
19	Accrued Interest and Dividends Payable	530,915	4,127,480	4,658,395	392,298	3,422,208	3,814,506
20	Other Liabilities	5,423,020	1,983,364	7,406,384	8,492,329	2,559,014	11,051,343
21	Subordinated Debentures	0	19,741,200	19,741,200	0	19,998,000	19,998,000
22	<b>Total Liabilities</b>	<b>98,820,834</b>	<b>281,605,809</b>	<b>380,426,643</b>	<b>94,345,160</b>	<b>206,366,872</b>	<b>300,712,032</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	(84,858,613)	X	(84,858,613)	(79,565,929)	X	(79,565,929)
29	Asset Revaluation Reserves	1,383,853	X	1,383,853	1,420,632	X	1,420,632
30	<b>Total Shareholders' Equity</b>	<b>64,567,941</b>	<b>X</b>	<b>64,567,941</b>	<b>69,897,404</b>	<b>X</b>	<b>69,897,404</b>
31	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>163,388,775</b>	<b>281,605,809</b>	<b>444,994,584</b>	<b>164,242,565</b>	<b>206,366,872</b>	<b>370,609,436</b>

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili



Bank: JSC VTB Bank (Georgia)

Date: 30-Jun-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	469,092	37,689	506,781	446,217	114,223	560,440
2	Interest Income from Loans	8,980,139	17,221,508	26,201,647	7,109,040	15,411,166	22,520,206
2.1	from the Interbank Loans	0	0	0	0	0	0
2.2	from the Retail or Service Sector Loans	959,889	5,728,457	6,688,345	1,553,092	5,300,993	6,854,085
2.3	from the Energy Sector Loans	263,612	301,035	564,648	294,442	2,150,864	2,445,306
2.4	from the Agriculture and Forestry Sector Loans	21,209	5,138	26,347	10,096	14,259	24,355
2.5	from the Construction Sector Loans	200,850	3,042,821	3,243,671	238,113	2,530,160	2,768,273
2.6	from the Mining and Mineral Processing Sector Loans	260,600	1,952,310	2,212,911	55,657	593,584	649,241
2.7	from the Transportation or Communications Sector Loans	263,321	87,634	350,954	22,939	213,770	236,709
2.8	from Individuals Loans	6,420,463	4,096,898	10,517,361	4,711,927	3,117,745	7,829,673
2.9	from Other Sectors Loans	590,196	2,007,214	2,597,410	222,775	1,489,791	1,712,565
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	794,909	0	794,909	1,797,865	0	1,797,865
5	Other Interest Income	165,196	3,147	168,343	0	2,217	2,217
6	<b>Total Interest Income</b>	10,409,336	17,262,344	27,671,680	9,353,122	15,527,606	24,880,728
	<b>Interest Expense</b>						
7	Interest Paid on Demand Deposits	1,255,500	450,591	1,706,091	1,061,777	434,107	1,495,885
8	Interest Paid on Time Deposits	222,521	2,731,131	2,953,652	265,169	2,271,552	2,536,720
9	Interest Paid on Banks Deposits	18,875	105,499	124,374	50,870	52,438	103,308
10	Interest Paid on Own Debt Securities	0	0	0	0	0	0
11	Interest Paid on Other Borrowings	15	4,288,709	4,288,724	11,678	2,472,869	2,484,547
12	Other Interest Expenses	78,439	71,192	149,631	17,649	1,172	18,821
13	<b>Total Interest Expense</b>	1,575,350	7,647,122	9,222,472	1,407,143	5,232,138	6,639,281
14	<b>Net Interest Income</b>	8,833,986	9,615,222	18,449,208	7,945,979	10,295,468	18,241,447
	<b>Non-Interest Income</b>						
15	Net Fee and Commission Income	1,545,105	1,289,396	2,834,501	1,154,101	557,842	1,711,943
15.1	Fee and Commission Income	2,184,928	1,905,396	4,090,324	1,797,635	1,084,453	2,882,088
15.2	Fee and Commission Expense	639,823	616,000	1,255,823	643,534	526,611	1,170,145
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	0	0	0
19	Gain (Loss) from Foreign Exchange Trading	2,146,060	0	2,146,060	3,215,314	0	3,215,314
20	Gain (Loss) from Foreign Exchange Translation	330,853	0	330,853	(1,224,408)	0	(1,224,408)
21	Gain (Loss) on Sales of Fixed Assets	16,327	0	16,327	29,561	0	29,561
22	Non-Interest Income from other Banking Operations	56,139	0	56,139	32,641	0	32,641
23	Other Non-Interest Income	779,183	618,621	1,397,804	918,697	649,179	1,567,876
24	<b>Total Non-Interest Income</b>	4,873,668	1,908,017	6,781,685	4,125,906	1,207,021	5,332,927
	<b>Non-Interest Expenses</b>						
25	Non-Interest Expenses from other Banking Operations	556,678	131,570	688,248	297,673	0	297,673
26	Bank Development, Consultation and Marketing Expenses	1,129,944	110,463	1,240,407	738,967	141,441	880,408
27	Personnel Expenses	10,905,023	0	10,905,023	9,389,102	0	9,389,102
28	Operating Costs of Fixed Assets	211,918	0	211,918	112,746	0	112,746
29	Depreciation Expense	1,485,786	0	1,485,786	1,183,541	0	1,183,541
30	Other Non-Interest Expenses	2,070,374	34,912	2,105,286	1,455,259	200,389	1,655,648
31	<b>Total Non-Interest Expenses</b>	16,359,723	276,945	16,636,668	13,177,288	341,830	13,519,118
32	<b>Net Non-Interest Income</b>	(11,486,055)	1,631,072	(9,854,983)	(9,051,382)	865,191	(8,186,191)
33	<b>Net Income before Provisions</b>	(2,652,069)	11,246,294	8,594,225	(1,105,403)	11,160,659	10,055,256

34	Provision for Possible Loan Losses	(872,811)	X	(872,811)	(6,963,213)	X	(6,963,213)
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	1,116,460	X	1,116,460	(1,348)	X	(1,348)
37	<b>Total Provisions for Possible Losses</b>	243,649	0	243,649	(6,964,561)	0	(6,964,561)
38	<b>Net Income before Taxes and Extraordinary Items</b>	(2,895,718)	11,246,294	8,350,576	5,859,158	11,160,659	17,019,817
39	Taxation	699,537	0	699,537	2,323,555	0	2,323,555
40	<b>Net Income after Taxation</b>	(3,595,255)	11,246,294	7,651,039	3,535,603	11,160,659	14,696,262
41	Extraordinary Items	0		0	0		0
42	<b>Net Income</b>	(3,595,255)	11,246,294	7,651,039	3,535,603	11,160,659	14,696,262

Financial Director

Deputy Head of Reporting Department



M. Menteshashvili

I. Chakhnashvili

Bank: JSC VTB Bank (Georgia)

Date: 30-Jun-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>	891,195,657	1,790,713,741	2,681,909,398	2,685,118,836	570,749,562	3,255,868,398
1.1	Acceptances and Endorsements	0	0	0	0	0	0
1.2	Guarantees Given	6,504,915	21,842,685	28,347,600	14,100,930	4,065,290	18,166,221
1.3	Guarantees Received	799,702,297	761,323,095	1,561,025,392	2,551,357,951	0	2,551,357,951
1.4	Pledged Assets Given	0	0	0	0	0	0
1.5	Pledged Assets Received	84,988,445	1,007,547,961	1,092,536,406	119,337,526	566,684,272	686,021,798
1.6	Other Contingent Liabilities	0	0	0	322,429	0	322,429
2	<b>Legally Binding Obligations</b>	6,739,094	102,221,304	108,960,398	8,522,925	46,523,952	55,046,878
2.1	Funding Commitments of the Bank	6,739,094	53,113,961	59,853,055	8,522,925	15,280,245	23,803,171
2.2	Funding Commitments of other Parties	0	0	0	0	0	0
2.3	Commitments to Purchase Investment Securities	0	8,900	8,900	0	10,167	10,167
2.4	Commitments to Sell Investment Securities	0	0	0	0	0	0
2.5	Foreign Exchange Operations	0	24,223,680	24,223,680	0	15,635,100	15,635,100
2.6	Forward Foreign Exchange Contracts	0	24,874,763	24,874,763	0	15,598,440	15,598,440
2.7	Other Commitments	0	0	0	0	0	0
3	<b>Other Liabilities</b>	6,504,915	21,842,685	28,347,600	14,100,930	4,065,290	18,166,221
3.1	Obligation Of the Issuer (endorser) to the Bank	0	0	0	0	0	0
3.2	Clients' Liabilities	6,504,915	21,842,685	28,347,600	14,100,930	4,065,290	18,166,221
3.3	Third Parties' Clients' Liability to the Bank	0	0	0	0	0	0
4	<b>Items to be Held in Safekeeping</b>	3,083	83,080	86,163	20,312	204,726	225,038
4.1	Precious Metals	687	9,650	10,337	929	20,422	21,350
4.2	Securities	267	0	267	17,577	141,912	159,489
4.3	Other Items	2,129	73,430	75,559	1,806	42,392	44,198
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>	362,150,935	0	362,150,935	415,773,224	0	415,773,224
7.1	Accounting Documents not Paid in due Time by Re	362,150,935	0	362,150,935	415,773,224	0	415,773,224
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>	17,746,694	94,180,754	111,927,448	15,411,954	99,171,463	114,583,417
8.1	Unpaid Interest on Loans up to 31.12.2000	2,061,183	1,418,378	3,479,561	2,200,232	1,659,628	3,859,860
8.2	Unpaid Interest on Loans from to 01.01.2001	943,572	14,711,168	15,654,740	963,820	14,900,147	15,863,967
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	10,411,677	77,746,812	88,158,489	10,912,791	82,611,688	93,524,479
8.5	Other Written Off Assets	4,330,222	304,396	4,634,618	1,335,111	0	1,335,111
9	<b>Other Valuables and Documents</b>	275,178	4,611	279,789	287,174	3,521	290,694
9.1	Undistributed value parcels	24	0	24	0	0	0
9.2	Small value inventory	262,167	0	262,167	279,501	0	279,501
9.3	Strict reporting forms	12,987	4,611	17,598	7,673	3,521	11,194
9.4	Payment of Special Lottery	0	0	0	0	0	0
10	<b>Total</b>	1,284,615,556	2,009,046,175	3,293,661,731	3,139,235,355	720,718,515	3,859,953,870

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili



Bank: JSC VTB Bank (Georgia)

Date: 30-Jun-12

Table N4

**Economical Activities**

		Financial Period	Previous Period
	<b>Equity</b>		
1	Tier 1 Capital Ratio $\geq$ 8%	9.81%	12.38%
2	Regulatory Capital Ratio $\geq$ 12%	14.95%	21.09%
3	Risk Weighted Assets / Total Assets	124.98%	115.60%
4	Dividends / Net Income	83.36%	
	<b>Income</b>		
5	Total Interest Income / Average Annual Assets	12.56%	13.63%
6	Total Interest Expense / Average Annual Assets	4.18%	3.64%
7	Operational Result / Average Annual Assets	3.74%	6.16%
8	Net Interest Margin	8.37%	9.99%
9	Return on Assets (ROA)	3.47%	8.05%
10	Return on Equity (ROE)	22.38%	47.82%
	<b>Quality of Assets</b>		
11	Inactive loans / Total Loans	13.97%	18.29%
12	Loan Loss Reserves / Total Loans	11.08%	11.00%
13	Loans in Foreign Currency / Total Loans	68.58%	68.95%
14	Assets in Foreign Currency / Total Loans	55.30%	49.24%
15	Annual Growth Rate of Total Loans	7.63%	2.61%
	<b>Liquidity</b>		
16	Liquid Assets / Total Assets	20.02%	26.72%
17	Liabilities in Foreign Currency / Total Liabilities	74.02%	68.63%
18	Current and Demand Deposits / Total Assets	26.99%	31.92%

Financial Director

Deputy Head of Reporting Department

M. Menteshashvili

I. Chakhnashvili

Bank: JSC VTB Bank (Georgia)  
Date: 30-Jun-12

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

sheet N5

<b>Members of Supervisory Council</b>		
1	Vasily Titov	
2	Olga Dergunova	
3	Iliia 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	15.72%

Financial Director

Deputy Head of Reporting Department



M. Menteshashvili

I. Chakhnashvili