

Bank: JSC VTB Bank (Georgia)

Date: 31/03/12

Table N1

## Balance Sheet

Lari

N	ASSETS	Financial Period			Previous Period		
		Lari	Foreign currency	Total	Lari	Foreign currency	Total
1	Cash	11,314,610	7,184,239	18,498,849	7,826,965	6,053,126	13,880,091
2	Due from NBG	19,396,297	26,401,029	45,797,326	7,565,266	27,768,494	35,333,760
3	Due from Banks	1,375	5,681,654	5,683,029	1,090,255	31,691,197	32,781,452
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	16,747,509	0	16,747,509	37,185,868	0	37,185,868
6.1	Loans	90,972,967	223,166,595	314,139,562	70,323,544	163,397,914	233,721,458
6.2	Less: Loan Loss Reserves	(3,682,771)	(30,489,030)	(34,171,801)	(1,811,131)	(29,033,013)	(30,844,144)
6	Net Loans	87,290,197	192,677,564	279,967,761	68,512,414	134,364,900	202,877,314
7	Accrued Interest and Dividends Receivable	1,644,836	1,386,898	3,031,734	1,154,212	1,273,187	2,427,399
8	Other Real Estate Owned & Repossessed Assets	10,996,252	X	10,996,252	9,934,800	X	9,934,800
9	Equity Investments	54,200	0	54,200	94,200	0	94,200
10	Fixed Assets and Intangible Assets	34,910,703	X	34,910,703	28,179,387	X	28,179,387
11	Other Assets	12,780,351	746,904	13,527,255	14,206,925	1,020,664	15,227,589
12	<b>TOTAL ASSETS</b>	195,136,329	234,078,288	429,214,618	175,750,292	202,171,568	377,921,860
	<b>LIABILITIES</b>						
13	Due to Banks	541,682	4,683,268	5,224,950	458,900	1,228,274	1,687,174
14	Current (Accounts) Deposits	71,236,467	29,412,556	100,649,023	65,064,507	54,501,904	119,566,411
15	Demand Deposits	11,957,182	11,243,262	23,200,444	10,447,760	11,065,824	21,513,584
16	Time Deposits	5,737,588	61,307,991	67,045,579	6,298,166	53,242,216	59,540,382
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	0	131,077,655	131,077,655	0	84,265,069	84,265,069
19	Accrued Interest and Dividends Payable	406,706	3,751,421	4,158,127	396,393	3,257,712	3,654,105
20	Other Liabilities	5,927,552	2,079,700	8,007,251	6,116,847	2,299,418	8,416,265
21	Subordinated Debentures	0	19,920,000	19,920,000	0	20,470,800	20,470,800
22	<b>Total Liabilities</b>	95,807,177	263,475,853	359,283,029	88,782,573	230,331,217	319,113,790
	<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	(79,504,160)	X	(79,504,160)	(90,664,458)	X	(90,664,458)
29	Asset Revaluation Reserves	1,393,048	X	1,393,048	1,429,827	X	1,429,827
30	<b>Total Shareholders' Equity</b>	69,931,589	X	69,931,589	58,808,070	X	58,808,070
31	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	165,738,766	263,475,853	429,214,618	147,590,643	230,331,217	377,921,860

Financial Director

Deputy Head of Reporting Department



M. Menteshashvili

I. Chakhnashvili



## 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	323,266	11,905	335,171	223,852	47,118	270,970
2	Interest Income from Loans	4,296,297	7,453,830	11,750,127	3,324,324	7,140,748	10,465,072
2.1	from the Interbank Loans	0	0	0	0	0	0
2.2	from the Retail or Service Sector Loans	431,757	2,233,844	2,665,601	679,020	2,387,119	3,066,139
2.3	from the Energy Sector Loans	130,690	150,159	280,849	211,872	1,335,254	1,547,126
2.4	from the Agriculture and Forestry Sector Loans	9,482	2,947	12,429	3,424	7,138	10,562
2.5	from the Construction Sector Loans	97,609	1,104,359	1,201,968	72,226	630,629	702,855
2.6	from the Mining and Mineral Processing Sector Loans	128,055	1,328,252	1,456,307	14,911	316,327	331,238
2.7	from the Transportation or Communications Sector Loans	158,946	44,184	203,131	8,793	162,545	171,338
2.8	from Individuals Loans	3,077,527	1,980,626	5,058,153	2,228,382	1,650,194	3,878,576
2.9	from Other Sectors Loans	262,230	609,460	871,690	105,696	651,542	757,238
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	368,602	0	368,602	874,121	0	874,121
5	Other Interest Income	113,436	1,589	115,025	0	1,134	1,134
6	<b>Total Interest Income</b>	5,101,601	7,467,324	12,568,925	4,422,297	7,189,000	11,611,297
	<b>Interest Expense</b>						
7	Interest Paid on Demand Deposits	710,069	261,457	971,527	524,946	243,274	768,220
8	Interest Paid on Time Deposits	124,151	1,258,368	1,382,519	132,980	1,105,046	1,238,026
9	Interest Paid on Banks Deposits	11,276	75,355	86,631	6,272	1,601	7,873
10	Interest Paid on Own Debt Securities	0	0	0	0	0	0
11	Interest Paid on Other Borrowings	15	1,984,873	1,984,888	0	1,315,648	1,315,648
12	Other Interest Expenses	33,586	0	33,586	6,759	944	7,703
13	<b>Total Interest Expense</b>	879,098	3,580,053	4,459,151	670,957	2,666,513	3,337,470
14	<b>Net Interest Income</b>	4,222,503	3,887,271	8,109,774	3,751,340	4,522,487	8,273,827
	<b>Non-Interest Income</b>						
15	Net Fee and Commission Income	673,183	644,524	1,317,707	443,581	283,697	727,278
15.1	Fee and Commission Income	994,240	910,850	1,905,090	811,167	492,365	1,303,532
15.2	Fee and Commission Expense	321,057	266,326	587,383	367,586	208,668	576,254
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	1,595,182	0	1,595,182	1,802,846	0	1,802,846
20	Gain (Loss) from Foreign Exchange Translation	(499,563)	0	(499,563)	(882,161)	0	(882,161)
21	Gain (Loss) on Sales of Fixed Assets	8	0	8	29,565	0	29,565
22	Non-Interest Income from other Banking Operations	24,163	0	24,163	13,909	0	13,909
23	Other Non-Interest Income	212,189	304,633	516,822	456,936	282,854	739,790
24	<b>Total Non-Interest Income</b>	2,005,162	949,157	2,954,319	1,864,676	566,551	2,431,227
	<b>Non-Interest Expenses</b>						
25	Non-Interest Expenses from other Banking Operations	259,940	62,618	322,559	100,381	0	100,381
26	Bank Development, Consultation and Marketing Expenses	421,266	24,548	445,814	286,483	56,249	342,732
27	Personnel Expenses	5,339,336	0	5,339,336	4,614,781	0	4,614,781
28	Operating Costs of Fixed Assets	82,067	0	82,067	49,021	0	49,021
29	Depreciation Expense	750,370	0	750,370	608,391	0	608,391
30	Other Non-Interest Expenses	1,055,018	17,853	1,072,871	741,179	104,673	845,852
31	<b>Total Non-Interest Expenses</b>	7,907,997	105,019	8,013,017	6,400,236	160,922	6,561,158
32	<b>Net Non-Interest Income</b>	(5,902,835)	844,138	(5,058,697)	(4,535,560)	405,629	(4,129,931)
33	<b>Net Income before Provisions</b>	(1,680,332)	4,731,409	3,051,077	(784,220)	4,928,116	4,143,896



34	Provision for Possible Loan Losses	(2,277,075)	X	(2,277,075)	(510,304)	X	(510,304)
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	508,526	X	508,526	380,723	X	380,723
37	<b>Total Provisions for Possible Losses</b>	(1,768,549)	0	(1,768,549)	(129,581)	0	(129,581)
38	<b>Net Income before Taxes and Extraordinary Items</b>	88,217	4,731,409	4,819,626	(654,639)	4,928,116	4,273,477
39	Taxation	365,489	0	365,489	666,550	0	666,550
40	<b>Net Income after Taxation</b>	(277,272)	4,731,409	4,454,137	(1,321,189)	4,928,116	3,606,927
41	Extraordinary Items	0		0	0		0
42	<b>Net Income</b>	(277,272)	4,731,409	4,454,137	(1,321,189)	4,928,116	3,606,927

Financial Director

Deputy Head of Reporting Department



M. Menteshashvili

I. Chakhnashvili



## Off Balance Sheet Items

N		Financial Period			Previous Period		
		Lari	Foreign currency	Total	Lari	Foreign currency	Total
1	<b>Conditional Obligations</b>	1,641,723,613	1,293,157,517	2,934,881,131	2,146,277,336	496,514,733	2,642,792,069
1.1	Acceptances and Endorsements	0	0	0	0	0	0
1.2	Guarantees Given	9,598,992	21,892,145	31,491,137	15,735,488	1,943,987	17,679,475
1.3	Guarantees Received	1,546,161,740	284,143,836	1,830,305,577	1,997,048,452	0	1,997,048,452
1.4	Pledged Assets Given	0	0	0	0	0	0
1.5	Pledged Assets Received	85,962,881	987,121,536	1,073,084,417	133,162,967	494,570,746	627,733,713
1.6	Other Contingent Liabilities	0	0	0	330,429	0	330,429
2	<b>Legally Binding Obligations</b>	6,699,260	57,433,839	64,133,099	5,059,809	41,387,902	46,447,711
2.1	Funding Commitments of the Bank	6,699,260	29,050,325	35,749,585	5,059,809	15,154,573	20,214,382
2.2	Funding Commitments of other Parties	0	0	0	0	0	0
2.3	Commitments to Purchase Investment Securities	0	9,788	9,788	0	10,306	10,306
2.4	Commitments to Sell Investment Securities	0	0	0	0	0	0
2.5	Foreign Exchange Operations	0	14,396,850	14,396,850	0	13,219,800	13,219,800
2.6	Forward Foreign Exchange Contracts	0	13,976,876	13,976,876	0	13,003,223	13,003,223
2.7	Other Commitments	0	0	0	0	0	0
3	<b>Other Liabilities</b>	9,598,992	21,892,145	31,491,137	15,735,488	1,943,987	17,679,475
3.1	Obligation Of the Issuer (endorser) to the Bank	0	0	0	0	0	0
3.2	Clients' Liabilities	9,598,992	21,892,145	31,491,137	15,735,488	1,943,987	17,679,475
3.3	Third Parties' Clients' Liability to the Bank	0	0	0	0	0	0
4	<b>Items to be Held in Safekeeping</b>	3,076	94,904	97,980	20,275	191,368	211,643
4.1	Precious Metals	687	11,963	12,650	901	19,694	20,595
4.2	Securities	267	0	267	17,577	145,268	162,845
4.3	Other Items	2,122	82,941	85,063	1,797	26,406	28,203
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>	428,802,039	0	428,802,039	618,104,067	0	618,104,067
7.1	Accounting Documents not Paid in due Time by Re	428,802,039	0	428,802,039	618,104,067	0	618,104,067
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>	18,109,840	96,923,567	115,033,407	15,712,157	104,830,433	120,542,590
8.1	Unpaid Interest on Loans up to 31.12.2000	2,065,514	1,443,775	3,509,289	2,301,827	1,800,315	4,102,142
8.2	Unpaid Interest on Loans from to 01.01.2001	1,032,458	15,477,477	16,509,935	988,941	17,103,992	18,092,933
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	10,458,485	79,689,277	90,147,762	11,097,808	85,926,126	97,023,934
8.5	Other Written Off Assets	4,553,343	313,038	4,866,381	1,323,581	0	1,323,581
9	<b>Other Valuables and Documents</b>	276,777	4,299	281,076	281,241	3,252	284,493
9.1	Undistributed value parcels	1	0	1	0	0	0
9.2	Small value inventory	266,084	0	266,084	273,847	0	273,847
9.3	Strict reporting forms	10,692	4,299	14,991	7,394	3,252	10,646
9.4	Payment of Special Lottery	0	0	0	0	0	0
10	<b>Total</b>	2,105,213,597	1,469,506,271	3,574,719,869	2,801,190,373	644,871,675	3,446,062,048

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili





Bank: JSC VTB Bank (Georgia)

Date: 31-Mar-12

Table N4

**Economical Activities**

		Financial Period	Previous Period
	<b>Equity</b>		
1	Tier 1 Capital Ratio $\geq 8\%$	11.88%	12.85%
2	Regulatory Capital Ratio $\geq 12\%$	16.66%	19.53%
3	Risk Weighted Assets / Total Assets	123.69%	109.17%
4	Dividends / Net Income		
	<b>Income</b>		
5	Total Interest Income / Average Annual Assets	11.41%	12.78%
6	Total Interest Expense / Average Annual Assets	4.05%	3.67%
7	Operational Result / Average Annual Assets	3.22%	5.50%
8	Net Interest Margin	7.36%	9.11%
9	Return on Assets (ROA)	4.04%	3.97%
10	Return on Equity (ROE)	25.81%	24.94%
	<b>Quality of Assets</b>		
11	Inactive loans / Total Loans	13.83%	22.85%
12	Loan Loss Reserves / Total Loans	10.88%	13.20%
13	Loans in Foreign Currency / Total Loans	71.04%	69.91%
14	Assets in Foreign Currency / Total Loans	54.54%	53.50%
15	Annual Growth Rate of Total Loans	3.30%	0.81%
	<b>Liquidity</b>		
16	Liquid Assets / Total Assets	19.69%	31.13%
17	Liabilities in Foreign Currency / Total Liabilities	73.33%	72.18%
18	Current and Demand Deposits / Total Assets	28.85%	37.33%

Financial Director

Deputy Head of Reporting Department



M. Menteshashvili

I. Chakhnashvili

Bank: JSC VTB Bank (Georgia)

Date: 31-Mar-12

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

sheet N5

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

Financial Director

Deputy Head of Reporting Department



M. Menteshashvili

I. Chakhnashvili