

Bank: JSC VTB Bank (Georgia)

Date: 30/09/13

Table N1

Balance Sheet

Lari

N	ASSETS	Financial Period			Previous Period		
		Lari	Foreign currency	Total	Lari	Foreign currency	Total
1	Cash	18,181,301	12,528,746	30,710,047	11,328,966	18,029,370	29,358,336
2	Due from NBG	89,115,670	46,480,791	135,596,461	11,034,134	31,787,651	42,821,785
3	Due from Banks	529,423	35,755,590	36,285,013	1,350	17,049,875	17,051,225
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	52,320,728	0	52,320,728	13,415,446	0	13,415,446
6.1	Loans	160,283,581	316,766,542	477,050,123	110,815,342	231,603,026	342,418,368
6.2	Less: Loan Loss Reserves	(4,968,453)	(28,442,322)	(33,410,775)	(3,830,172)	(28,332,808)	(32,162,980)
6	Net Loans	155,315,128	288,324,220	443,639,348	106,985,170	203,270,218	310,255,388
7	Accrued Interest and Dividends Receivable	2,253,376	1,601,312	3,854,688	1,967,185	1,434,480	3,401,665
8	Other Real Estate Owned & Repossessed Assets	8,058,209	X	8,058,209	10,450,372	X	10,450,372
9	Equity Investments	54,200	0	54,200	54,200	0	54,200
10	Fixed Assets and Intangible Assets	33,741,581	X	33,741,581	35,243,445	X	35,243,445
11	Other Assets	16,151,882	5,634,749	21,786,631	12,037,971	2,061,631	14,099,602
12	TOTAL ASSETS	375,721,499	390,325,407	766,046,906	202,518,239	273,633,225	476,151,464
	LIABILITIES						
13	Due to Banks	13,478,500	33,312	13,511,812	11,743,178	34,587	11,777,765
14	Current (Accounts) Deposits	200,918,951	95,425,712	296,344,663	69,916,191	31,795,488	101,711,679
15	Demand Deposits	19,946,542	24,679,436	44,625,978	12,705,449	14,681,470	27,386,919
16	Time Deposits	27,634,411	130,929,347	158,563,758	6,938,669	88,865,988	95,804,657
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	6,106,778	129,184,818	135,291,596	0	142,403,568	142,403,568
19	Accrued Interest and Dividends Payable	1,498,722	3,928,990	5,427,712	550,267	4,478,310	5,028,577
20	Other Liabilities	7,995,426	8,540,109	16,535,535	4,973,585	1,869,426	6,843,011
21	Subordinated Debentures	0	19,972,800	19,972,800	0	19,911,600	19,911,600
22	Total Liabilities	277,579,330	412,694,525	690,273,854	106,827,339	304,040,437	410,867,776
	SHAREHOLDERS' EQUITY						
23	Common Stock	160,292,701	X	160,292,701	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	(85,461,211)	X	(85,461,211)	(84,088,457)	X	(84,088,457)
29	Asset Revaluation Reserves	941,562	X	941,562	1,329,444	X	1,329,444
30	Total Shareholders' Equity	75,773,052	X	75,773,052	65,283,688	X	65,283,688
31	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	353,352,382	412,694,525	766,046,906	172,111,027	304,040,437	476,151,464

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili

Income Statement

Lari

N		Financial Period			Previous Period		
		Lari	Foreign currency	Total	Lari	Foreign currency	Total
	Interest Income						
1	Interest Income from Bank's "Nostro" and Deposit Accounts	507,374	162,321	669,695	578,299	58,442	636,741
2	Interest Income from Loans	17,952,905	27,300,073	45,252,978	14,020,191	25,013,785	39,033,976
2.1	from the Interbank Loans	0	0	0	0	0	0
2.2	from the Retail or Service Sector Loans	1,600,766	10,371,613	11,972,379	1,471,759	8,339,680	9,811,439
2.3	from the Energy Sector Loans	720,847	20,620	741,467	511,861	324,049	835,910
2.4	from the Agriculture and Forestry Sector Loans	77,934	43,624	121,558	47,689	7,345	55,034
2.5	from the Construction Sector Loans	102,174	3,782,837	3,885,011	266,781	4,262,271	4,529,052
2.6	from the Mining and Mineral Processing Sector Loans	181,489	1,634,450	1,815,939	385,919	2,528,983	2,914,903
2.7	from the Transportation or Communications Sector Loans	92,919	141,993	234,912	320,644	129,318	449,962
2.8	from Individuals Loans	13,670,882	7,688,756	21,359,638	10,073,896	6,342,589	16,416,485
2.9	from Other Sectors Loans	1,505,894	3,616,180	5,122,074	941,642	3,079,549	4,021,191
3	Incomes from penalties/finances according to the loans issued to the clients	0	0	0	0	0	0
4	Interest and Discount Income from Securities	730,235	0	730,235	1,140,296	0	1,140,296
5	Other Interest Income	168,193	1,486	169,679	206,261	4,123	210,384
6	Total Interest Income	19,358,707	27,463,880	46,822,587	15,945,047	25,076,350	41,021,397
	Interest Expense						
7	Interest Paid on Demand Deposits	3,767,798	1,469,540	5,237,338	2,042,651	650,123	2,692,774
8	Interest Paid on Time Deposits	1,289,114	5,495,589	6,784,703	346,353	4,246,584	4,592,937
9	Interest Paid on Banks Deposits	716,637	4,448	721,085	119,904	114,883	234,787
10	Interest Paid on Own Debt Securities	0	0	0	0	0	0
11	Interest Paid on Other Borrowings	264,070	7,171,159	7,435,229	16,711	6,707,694	6,724,405
12	Other Interest Expenses	46,409	1,599,331	1,645,740	117,475	606,709	724,184
13	Total Interest Expense	6,084,028	15,740,067	21,824,095	2,643,094	12,325,993	14,969,087
14	Net Interest Income	13,274,679	11,723,813	24,998,492	13,301,953	12,750,357	26,052,310
	Non-Interest Income						
15	Net Fee and Commission Income	6,335,055	2,492,384	8,827,439	2,673,282	2,001,625	4,674,907
15.1	Fee and Commission Income	6,793,055	4,238,751	11,031,806	3,636,880	3,007,200	6,644,080
15.2	Fee and Commission Expense	458,000	1,746,367	2,204,367	963,598	1,005,575	1,969,173
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	3,787,575	0	3,787,575	3,756,121	0	3,756,121
20	Gain (Loss) from Foreign Exchange Translation	(687,765)	0	(687,765)	(391,709)	0	(391,709)
21	Gain (Loss) on Sales of Fixed Assets	13,389	0	13,389	143,548	0	143,548
22	Non-Interest Income from other Banking Operations	243,739	220,550	464,289	133,026	0	133,026
23	Other Non-Interest Income	3,871,664	1,096,649	4,968,313	1,148,144	907,002	2,055,146
24	Total Non-Interest Income	13,563,657	3,809,583	17,373,240	7,462,412	2,908,627	10,371,039
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	1,246,076	575,975	1,822,051	946,705	197,048	1,143,753
26	Bank Development, Consultation and Marketing Expenses	2,193,856	238,838	2,432,694	1,736,972	160,016	1,896,988
27	Personnel Expenses	19,863,769	0	19,863,769	16,127,741	0	16,127,741
28	Operating Costs of Fixed Assets	303,109	0	303,109	320,087	0	320,087
29	Depreciation Expense	2,387,727	0	2,387,727	2,243,024	0	2,243,024
30	Other Non-Interest Expenses	3,238,244	(3,604)	3,234,640	3,127,572	47,427	3,174,999
31	Total Non-Interest Expenses	29,232,781	811,209	30,043,990	24,502,101	404,491	24,906,592
32	Net Non-Interest Income	(15,669,124)	2,998,374	(12,670,750)	(17,039,689)	2,504,136	(14,535,553)
33	Net Income before Provisions	(2,394,445)	14,722,187	12,327,742	(3,737,736)	15,254,493	11,516,757

34	Provision for Possible Loan Losses	(1,907,696)	X	(1,907,696)	1,226,390	X	1,226,390
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	5,944,876	X	5,944,876	1,238,434	X	1,238,434
37	Total Provisions for Possible Losses	4,037,180	0	4,037,180	2,464,824	0	2,464,824
38	Net Income before Taxes and Extraordinary Items	(6,431,625)	14,722,187	8,290,562	(6,202,560)	15,254,493	9,051,933
39	Taxation	1,322,774	0	1,322,774	685,148	0	685,148
40	Net Income after Taxation	(7,754,399)	14,722,187	6,967,788	(6,887,708)	15,254,493	8,366,785
41	Extraordinary Items	0		0	0		0
42	Net Income	(7,754,399)	14,722,187	6,967,788	(6,887,708)	15,254,493	8,366,785

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili

Off Balance Sheet Items

Lari

N		Financial Period			Previous Period		
		Lari	Foreign currency	Total	Lari	Foreign currency	Total
1	Conditional Obligations	323,903,953	4,229,337,528	4,553,241,481	837,889,197	1,836,810,707	2,674,699,904
1.1	Acceptances and Endorsements	0	0	0	0	0	0
1.2	Guarantees Given	6,980,573	27,818,889	34,799,462	5,878,323	22,183,125	28,061,448
1.3	Guarantees Received	243,458,186	3,050,422,260	3,293,880,446	751,961,013	973,214,543	1,725,175,556
1.4	Pledged Assets Given	0	0	0	0	0	0
1.5	Pledged Assets Received	73,465,194	1,151,096,379	1,224,561,573	80,049,861	841,413,039	921,462,900
1.6	Other Contingent Liabilities	0	0	0	0	0	0
2	Legally Binding Obligations	17,468,487	159,716,209	177,184,696	5,242,529	124,282,998	129,525,527
2.1	Funding Commitments of the Bank	10,806,647	55,242,797	66,049,444	5,242,529	46,232,420	51,474,949
2.2	Funding Commitments of other Parties	0	77,727,480	77,727,480	0	24,308,745	24,308,745
2.3	Commitments to Purchase Investment Securities	0	9,104	9,104	0	9,394	9,394
2.4	Commitments to Sell Investment Securities	0	0	0	0	0	0
2.5	Foreign Exchange Operations	6,661,840	10,113,300	16,775,140	0	27,255,470	27,255,470
2.6	Forward Foreign Exchange Contracts	0	16,623,528	16,623,528	0	26,476,969	26,476,969
2.7	Other Commitments	0	0	0	0	0	0
3	Other Liabilities	6,980,573	27,818,889	34,799,462	5,878,323	22,183,125	28,061,448
3.1	Obligation Of the Issuer (endorser) to the Bank	0	0	0	0	0	0
3.2	Clients' Liabilities	6,980,573	27,818,889	34,799,462	5,878,323	22,183,125	28,061,448
3.3	Third Parties' Clients' Liability to the Bank	0	0	0	0	0	0
4	Items to be Held in Safekeeping	11,422	260,736	272,158	3,190	69,171	72,361
4.1	Precious Metals	0	0	0	0	0	0
4.2	Securities	267	0	267	267	0	267
4.3	Other Items	11,155	260,736	271,891	2,923	69,171	72,094
5	Interest Rate Contracts	0	0	0	0	0	0
5.1	Notional Value of Interest Rate Swaps			0	0	0	0
5.2	Forward Contracts on Financial Instruments			0	0	0	0
5.3	Futures Contracts on Financial Instruments			0	0	0	0
5.4	Options			0	0	0	0
6	Contracts on Commodities and Shareholders Capital	0	0	0	0	0	0
6.1	Notional Value of Swaps			0	0	0	0
6.2	Forward Contracts			0	0	0	0
6.3	Futures Contracts			0	0	0	0
6.4	Options			0	0	0	0
7	Unsettled Documents	414,392,501	30,414	414,422,915	361,351,199	0	361,351,199
7.1	Accounting Documents not Paid in due Time by Reaso	414,392,501	30,414	414,422,915	361,351,199	0	361,351,199
7.2	Accounting Documents not Paid in due Time by Reaso	0	0	0	0	0	0
7.3	Unissued Capital	0	0	0	0	0	0
8	Written Off Loans	27,548,540	74,603,946	102,152,486	17,761,493	102,055,179	119,816,672
8.1	Unpaid Interest on Loans up to 31.12.2000	2,039,770	1,310,131	3,349,901	2,082,516	1,374,965	3,457,481
8.2	Unpaid Interest on Loans from to 01.01.2001	997,653	10,714,269	11,711,922	981,104	15,206,199	16,187,303
8.3	Problem Loans Written off up to 31.12.2000	40	0	40	40	0	40
8.4	Problem Loans Written off up to 01.01.2001	8,039,892	62,191,613	70,231,505	10,403,365	85,166,571	95,569,936
8.5	Other Written Off Assets	16,471,185	387,933	16,859,118	4,294,468	307,444	4,601,912
9	Other Valuables and Documents	332,482	3,476	335,958	281,083	5,310	286,393
9.1	Undistributed value parcels	43	0	43	5	0	5
9.2	Small value inventory	267,900	0	267,900	274,687	0	274,687
9.3	Strict reporting forms	64,539	3,476	68,015	6,391	5,310	11,701
9.4	Payment of Special Lottery	0	0	0	0	0	0
10	Total	790,637,958	4,491,771,198	5,282,409,156	1,228,407,014	2,085,406,490	3,313,813,504

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili

Economical Activities

		Financial Period	Previous Period
	Equity		
1	Tier 1 Capital Ratio \geq 8%	8.42%	9.58%
2	Regulatory Capital Ratio \geq 12%	12.81%	14.78%
3	Risk Weighted Assets / Total Assets	103.68%	119.90%
4	Dividends / Net Income	99.93%	83.36%
	Income		
5	Total Interest Income / Average Annual Assets	10.21%	12.13%
6	Total Interest Expense / Average Annual Assets	4.76%	4.43%
7	Operational Result / Average Annual Assets	2.84%	3.48%
8	Net Interest Margin	5.45%	7.71%
9	Return on Assets (ROA)	1.52%	2.47%
10	Return on Equity (ROE)	14.17%	16.58%
	Quality of Assets		
11	Inactive loans / Total Loans	9.61%	12.62%
12	Loan Loss Reserves / Total Loans	7.00%	9.39%
13	Loans in Foreign Currency / Total Loans	66.40%	67.64%
14	Assets in Foreign Currency / Total Loans	50.95%	57.47%
15	Annual Growth Rate of Total Loans	28.58%	12.60%
	Liquidity		
16	Liquid Assets / Total Assets	33.26%	21.28%
17	Liabilities in Foreign Currency / Total Liabilities	59.79%	74.00%
18	Current and Demand Deposits / Total Assets	44.51%	27.11%

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili

Bank: JSC VTB Bank (Georgia)

Date: 30-Sep-13

Information about Supervisory Council, Directorate and Shareholders

sheet N5

Members of Supervisory Council		
1	Vasili Titov	
2	Mikheil Yakunin	
3	Igor Piun	
4	Grigol Lomidze	
5	Vsevolod Smakov	
Members of Board of Directors		
1	Archil Kontselidze	
2	Niko Chkhetiani	
3	Mamuka Menteshashvili	
4	Valerian Gabunia	
5	Vladimer Robakidze	
List of Shareholders owning 1% and more of issued capita, indicating Shares		
1	JSC VTB Bank	96.59%
2	LTD "Lakarpa Enterprises Limited"	1.92%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares		
1	Russian Federation	58.86%
2	Bank of New York International Nominees	12.34%

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili