

Bank: JSC VTB Bank (Georgia)

Date: 30/09/14

Table N1

Balance Sheet

Lari

N	ASSETS						
1	Cash	20,994,703	16,085,133	37,079,836	18,181,301	12,528,746	30,710,047
2	Due from NBG	66,233,956	65,509,348	131,743,304	89,115,670	46,480,791	135,596,461
3	Due from Banks	724,086	72,594,548	73,318,634	529,423	35,755,590	36,285,013
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	81,888,813	0	81,888,813	52,320,728	0	52,320,728
6.1	Loans	212,907,749	382,192,939	595,100,688	160,283,581	316,766,542	477,050,123
6.2	Less: Loan Loss Reserves	(9,054,674)	(29,769,018)	(38,823,692)	(4,968,453)	(28,442,322)	(33,410,775)
6	Net Loans	203,853,075	352,423,921	556,276,996	155,315,128	288,324,220	443,639,348
7	Accrued Interest and Dividends Receivable	2,890,723	1,899,479	4,790,202	2,253,376	1,601,312	3,854,688
8	Other Real Estate Owned & Repossessed Assets	4,916,904	X	4,916,904	8,058,209	X	8,058,209
9	Equity Investments	54,200	0	54,200	54,200	0	54,200
10	Fixed Assets and Intangible Assets	32,499,473	X	32,499,473	33,741,581	X	33,741,581
11	Other Assets	12,107,694	10,632,825	22,740,519	16,151,882	5,634,749	21,786,631
12	TOTAL ASSETS	426,163,627	519,145,254	945,308,881	375,721,499	390,325,407	766,046,906
	LIABILITIES						
13	Due to Banks	4,383,696	247,295	4,630,991	13,478,500	33,312	13,511,812
14	Current (Accounts) Deposits	166,497,957	94,275,636	260,773,593	200,918,951	95,425,712	296,344,663
15	Demand Deposits	24,616,098	44,857,010	69,473,108	19,946,542	24,679,436	44,625,978
16	Time Deposits	112,303,742	152,646,575	264,950,317	27,634,411	130,929,347	158,563,758
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	6,106,778	194,295,773	200,402,551	6,106,778	129,184,818	135,291,596
19	Accrued Interest and Dividends Payable	2,016,771	3,566,315	5,583,086	1,498,722	3,928,990	5,427,712
20	Other Liabilities	9,982,441	10,345,104	20,327,545	7,995,426	8,540,109	16,535,535
21	Subordinated Debentures	0	21,028,800	21,028,800	0	19,972,800	19,972,800
22	Total Liabilities	325,907,483	521,262,508	847,169,991	277,579,330	412,694,525	690,273,854
	SHAREHOLDERS' EQUITY						
23	Common Stock	171,292,701	X	171,292,701	160,292,701	X	160,292,701
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	(74,075,564)	X	(74,075,564)	(85,461,211)	X	(85,461,211)
29	Asset Revaluation Reserves	921,753	X	921,753	941,562	X	941,562
30	Total Shareholders' Equity	98,138,890	X	98,138,890	75,773,052	X	75,773,052
31	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	424,046,373	521,262,508	945,308,881	353,352,382	412,694,525	766,046,906

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili

Income Statement

Lari

N							
	Interest Income						
1	Interest Income from Bank's "Nostro" and Deposit Accounts	1,527,616	12,673	1,540,289	507,374	162,321	669,695
2	Interest Income from Loans	20,812,252	31,048,693	51,860,945	17,952,905	27,300,073	45,252,978
2.1	from the Interbank Loans	206,564	0	206,564	0	0	0
2.2	from the Retail or Service Sector Loans	1,739,690	12,212,534	13,952,224	1,600,766	10,371,613	11,972,379
2.3	from the Energy Sector Loans	146,384	405,854	552,238	720,847	20,620	741,467
2.4	from the Agriculture and Forestry Sector Loans	161,329	339,700	501,030	77,934	43,624	121,558
2.5	from the Construction Sector Loans	175,173	3,062,798	3,237,971	102,174	3,782,837	3,885,011
2.6	from the Mining and Mineral Processing Sector Loans	920,457	1,679,123	2,599,580	181,489	1,634,450	1,815,939
2.7	from the Transportation or Communications Sector Loans	85,677	333,421	419,098	92,919	141,993	234,912
2.8	from Individuals Loans	15,760,177	8,627,872	24,388,049	13,670,882	7,688,756	21,359,638
2.9	from Other Sectors Loans	1,616,801	4,387,391	6,004,192	1,505,894	3,616,180	5,122,074
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	2,691,229	0	2,691,229	730,235	0	730,235
5	Other Interest Income	13,217	169,569	182,786	168,193	1,486	169,679
6	Total Interest Income	25,044,314	31,230,935	56,275,249	19,358,707	27,463,880	46,822,587
	Interest Expense						
7	Interest Paid on Demand Deposits	7,784,630	1,220,241	9,004,872	3,767,798	1,469,540	5,237,338
8	Interest Paid on Time Deposits	4,001,915	5,274,651	9,276,565	1,289,114	5,495,589	6,784,703
9	Interest Paid on Banks Deposits	266,521	10,816	277,337	716,637	4,448	721,085
10	Interest Paid on Own Debt Securities	0	0	0	0	0	0
11	Interest Paid on Other Borrowings	264,729	7,033,717	7,298,446	264,070	7,171,159	7,435,229
12	Other Interest Expenses	40,656	986,990	1,027,646	46,409	1,599,331	1,645,740
13	Total Interest Expense	12,358,451	14,526,415	26,884,866	6,084,028	15,740,067	21,824,095
14	Net Interest Income	12,685,863	16,704,520	29,390,383	13,274,679	11,723,813	24,998,492
	Non-Interest Income						
15	Net Fee and Commission Income	9,197,662	3,841,695	13,039,358	6,335,055	2,492,384	8,827,439
15.1	Fee and Commission Income	9,900,662	6,820,327	16,720,989	6,793,055	4,238,751	11,031,806
15.2	Fee and Commission Expense	703,000	2,978,632	3,681,632	458,000	1,746,367	2,204,367
16	Dividend Income	447,000	0	447,000	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	1,845,616	0	1,845,616	3,787,575	0	3,787,575
20	Gain (Loss) from Foreign Exchange Translation	2,067,663	0	2,067,663	(687,765)	0	(687,765)
21	Gain (Loss) on Sales of Fixed Assets	2	0	2	13,389	0	13,389
22	Non-Interest Income from other Banking Operations	286,660	0	286,660	243,739	220,550	464,289
23	Other Non-Interest Income	2,948,675	1,322,135	4,270,810	3,871,664	1,096,649	4,968,313
24	Total Non-Interest Income	16,793,278	5,163,830	21,957,108	13,563,657	3,809,583	17,373,240
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	1,562,997	923,008	2,486,005	1,246,076	575,975	1,822,051
26	Bank Development, Consultation and Marketing Expenses	2,388,121	860,599	3,248,720	2,193,856	238,838	2,432,694
27	Personnel Expenses	21,712,571	0	21,712,571	19,863,769	0	19,863,769
28	Operating Costs of Fixed Assets	217,061	0	217,061	303,109	0	303,109
29	Depreciation Expense	2,565,219	0	2,565,219	2,387,727	0	2,387,727
30	Other Non-Interest Expenses	3,092,159	78,832	3,170,991	3,238,244	(3,604)	3,234,640
31	Total Non-Interest Expenses	31,538,128	1,862,439	33,400,567	29,232,781	811,209	30,043,990
32	Net Non-Interest Income	(14,744,850)	3,301,391	(11,443,459)	(15,669,124)	2,998,374	(12,670,750)
33	Net Income before Provisions	(2,058,987)	20,005,911	17,946,924	(2,394,445)	14,722,187	12,327,742

34	Provision for Possible Loan Losses	6,674,880	X	6,674,880	(1,907,696)	X	(1,907,696)
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	506,803	X	506,803	5,944,876	X	5,944,876
37	Total Provisions for Possible Losses	7,181,683	0	7,181,683	4,037,180	0	4,037,180
38	Net Income before Taxes and Extraordinary Items	(9,240,670)	20,005,911	10,765,241	(6,431,625)	14,722,187	8,290,562
39	Taxation	587,951	0	587,951	1,322,774	0	1,322,774
40	Net Income after Taxation	(9,828,621)	20,005,911	10,177,290	(7,754,399)	14,722,187	6,967,788
41	Extraordinary Items	0		0	0		0
42	Net Income	(9,828,621)	20,005,911	10,177,290	(7,754,399)	14,722,187	6,967,788

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili

Off Balance Sheet Items

Lari

N							
1	Conditional Obligations	295,868,681	8,644,504,598	8,940,373,279	323,903,953	4,229,337,528	4,553,241,481
1.1	Acceptances and Endorsements	0	0	0	0	0	0
1.2	Guarantees Given	11,109,915	19,505,820	30,615,735	6,980,573	27,818,889	34,799,462
1.3	Guarantees Received	217,633,214	6,992,536,655	7,210,169,869	243,458,186	3,050,422,260	3,293,880,446
1.4	Pledged Assets Given	4,435,000	0	4,435,000	0	0	0
1.5	Pledged Assets Received	62,690,552	1,632,462,123	1,695,152,675	73,465,194	1,151,096,379	1,224,561,573
1.6	Other Contingent Liabilities	0	0	0	0	0	0
2	Legally Binding Obligations	58,622,362	132,012,654	190,635,016	17,468,487	159,716,209	177,184,696
2.1	Funding Commitments of the Bank	32,486,375	51,496,150	83,982,525	10,806,647	55,242,797	66,049,444
2.2	Funding Commitments of other Parties	0	0	0	0	77,727,480	77,727,480
2.3	Commitments to Purchase Investment Securities	0	8,285	8,285	0	9,104	9,104
2.4	Commitments to Sell Investment Securities	0	0	0	0	0	0
2.5	Foreign Exchange Operations	26,135,987	26,680,800	52,816,787	6,661,840	10,113,300	16,775,140
2.6	Forward Foreign Exchange Contracts	0	53,827,419	53,827,419	0	16,623,528	16,623,528
2.7	Other Commitments	0	0	0	0	0	0
3	Other Liabilities	11,109,915	19,505,820	30,615,735	6,980,573	27,818,889	34,799,462
3.1	Obligation Of the Issuer (endorser) to the Bank	0	0	0	0	0	0
3.2	Clients' Liabilities	11,109,915	19,505,820	30,615,735	6,980,573	27,818,889	34,799,462
3.3	Third Parties' Clients' Liability to the Bank	0	0	0	0	0	0
4	Items to be Held in Safekeeping	20,853	228,629	249,482	11,422	260,736	272,158
4.1	Precious Metals	0	0	0	0	0	0
4.2	Securities	266	0	266	267	0	267
4.3	Other Items	20,587	228,629	249,216	11,155	260,736	271,891
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	435,848,669	46,454	435,895,123	414,392,501	30,414	414,422,915
7.1	Accounting Documents not Paid in due Time by	435,848,669	46,454	435,895,123	414,392,501	30,414	414,422,915
7.2	Accounting Documents not Paid in due Time by	0	0	0	0	0	0
7.3	Unissued Capital	0	0	0	0	0	0
8	Written Off Loans	26,146,397	46,226,986	72,373,383	27,548,540	74,603,946	102,152,486
8.1	Unpaid Interest on Loans up to 31.12.2000	10,356	77,962	88,318	2,039,770	1,310,131	3,349,901
8.2	Unpaid Interest on Loans from to 01.01.2001	1,062,440	6,670,239	7,732,679	997,653	10,714,269	11,711,922
8.3	Problem Loans Written off up to 31.12.2000	0	0	0	40	0	40
8.4	Problem Loans Written off up to 01.01.2001	7,703,600	39,237,039	46,940,639	8,039,892	62,191,613	70,231,505
8.5	Other Written Off Assets	17,370,001	241,746	17,611,747	16,471,185	387,933	16,859,118
9	Other Valuables and Documents	342,894	4,056	346,950	332,482	3,476	335,958
9.1	Undistributed value parcels	15	0	15	43	0	43
9.2	Small value inventory	281,136	0	281,136	267,900	0	267,900
9.3	Strict reporting forms	61,743	4,056	65,799	64,539	3,476	68,015
9.4	Payment of Special Lottery	0	0	0	0	0	0
10	Total	827,959,771	8,842,529,197	9,670,488,968	790,637,958	4,491,771,198	5,282,409,156

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili

Bank: JSC VTB Bank (Georgia)

Date: 30-Sep-14

Table N4

Economical Activities

	Equity		
1	Tier 1 Capital Ratio \geq 8%	8.73%	8.42%
2	Regulatory Capital Ratio \geq 12%	12.88%	12.81%
3	Risk Weighted Assets / Total Assets	104.59%	103.68%
4	Dividends / Net Income		99.93%
	Income		
5	Total Interest Income / Average Annual Assets	8.51%	10.21%
6	Total Interest Expense / Average Annual Assets	4.07%	4.76%
7	Operational Result / Average Annual Assets	2.40%	2.84%
8	Net Interest Margin	4.45%	5.45%
9	Return on Assets (ROA)	1.54%	1.52%
10	Return on Equity (ROE)	15.18%	14.17%
	Quality of Assets		
11	Inactive loans / Total Loans	8.78%	9.61%
12	Loan Loss Reserves / Total Loans	6.52%	7.00%
13	Loans in Foreign Currency / Total Loans	64.22%	66.40%
14	Assets in Foreign Currency / Total Loans	54.92%	50.95%
15	Annual Growth Rate of Total Loans	17.79%	28.58%
	Liquidity		
16	Liquid Assets / Total Assets	34.21%	33.26%
17	Liabilities in Foreign Currency / Total Liabilities	61.53%	59.79%
18	Current and Demand Deposits / Total Assets	34.94%	44.51%

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili

Bank: JSC VTB Bank (Georgia)

Date: 30-Sep-14

Information about Supervisory Council, Directorate and Shareholders

sheet N5

Members of Supervisory Council		
1	Vasili Titov	
2	Mikheil Yakunin	
3	Sergey Tsarev	
4	Grigol Lomidze	
5	Vsevolod Smakov	
Members of Board of Directors		
1	Archil Kontselidze	
2	Mamuka Menteshashvili	
3	Niko Chkhetiani	
4	Valerian Gabunia	
5	Vladimer Robakidze	
List of Shareholders owning 1% and more of issued capita, indicating Shares		
1	JSC VTB Bank	96.81%
2	LTD "Lakarpa Enterprises Limited"	1.80%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares		
1	Russian Federation	58.99%

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili