

Bank: JSC VTB Bank (Georgia)

Date: 30/06/14

Table N1

Balance Sheet

Lari

N	ASSETS	Financial Period			Previous Period		
		Lari	Foreign currency	Total	Lari	Foreign currency	Total
1	Cash	18,508,283	15,458,734	33,967,017	14,488,879	10,500,615	24,989,494
2	Due from NBG	73,483,817	47,580,285	121,064,102	16,163,368	39,019,069	55,182,437
3	Due from Banks	12,104,126	27,989,588	40,093,714	108	37,101,444	37,101,552
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	89,922,428	0	89,922,428	15,777,300	0	15,777,300
6.1	Loans	200,679,685	359,067,127	559,746,812	151,886,807	288,014,124	439,900,931
6.2	Less: Loan Loss Reserves	(7,803,170)	(29,289,246)	(37,092,416)	(4,509,567)	(27,481,964)	(31,991,531)
6	Net Loans	192,876,515	329,777,881	522,654,396	147,377,240	260,532,160	407,909,400
7	Accrued Interest and Dividends Receivable	2,695,969	1,834,984	4,530,953	2,175,987	1,762,392	3,938,379
8	Other Real Estate Owned & Repossessed Assets	5,065,382	X	5,065,382	9,951,090	X	9,951,090
9	Equity Investments	54,200	0	54,200	54,200	0	54,200
10	Fixed Assets and Intangible Assets	32,708,280	X	32,708,280	34,201,503	X	34,201,503
11	Other Assets	13,768,778	6,300,244	20,069,023	15,807,184	7,711,587	23,518,771
12	TOTAL ASSETS	441,187,778	428,941,716	870,129,494	255,996,859	356,627,267	612,624,126
	LIABILITIES						
13	Due to Banks	4,913,993	35,379	4,949,372	19,141,921	33,019	19,174,940
14	Current (Accounts) Deposits	219,854,348	70,228,002	290,082,350	84,032,121	74,117,748	158,149,869
15	Demand Deposits	27,078,405	41,250,204	68,328,609	18,777,561	24,291,096	43,068,657
16	Time Deposits	94,251,821	132,298,424	226,550,245	27,040,810	122,755,015	149,795,825
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	6,106,778	137,500,924	143,607,702	6,121,445	133,565,268	139,686,713
19	Accrued Interest and Dividends Payable	1,681,075	3,627,369	5,308,444	4,881,993	3,420,620	8,302,613
20	Other Liabilities	8,457,919	9,793,314	18,251,233	5,597,798	7,033,952	12,631,751
21	Subordinated Debentures	0	21,229,200	21,229,200	0	19,810,800	19,810,800
22	Total Liabilities	362,344,339	415,962,816	778,307,155	165,593,650	385,027,518	550,621,168
	SHAREHOLDERS' EQUITY						
23	Common Stock	171,292,701	X	171,292,701	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	(80,397,067)	X	(80,397,067)	(86,986,257)	X	(86,986,257)
29	Asset Revaluation Reserves	926,705	X	926,705	946,514	X	946,514
30	Total Shareholders' Equity	91,822,339	X	91,822,339	62,002,958	X	62,002,958
31	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	454,166,678	415,962,816	870,129,494	227,596,608	385,027,518	612,624,126

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	1,157,213	8,279	1,165,492	288,008	117,957	405,965
2	Interest Income from Loans	13,181,930	20,802,882	33,984,812	11,693,408	17,520,510	29,213,918
2.1	from the Interbank Loans	134,573	0	134,573	0	0	0
2.2	from the Retail or Service Sector Loans	1,013,404	8,066,377	9,079,781	1,162,326	5,940,418	7,102,744
2.3	from the Energy Sector Loans	10,611	251,370	261,980	489,397	13,191	502,588
2.4	from the Agriculture and Forestry Sector Loans	93,424	189,126	282,550	48,357	7,476	55,833
2.5	from the Construction Sector Loans	94,910	1,994,733	2,089,643	82,677	3,100,718	3,183,395
2.6	from the Mining and Mineral Processing Sector Loans	556,980	1,275,652	1,832,632	111,730	1,166,715	1,278,445
2.7	from the Transportation or Communications Sector Loans	58,441	216,308	274,749	67,165	74,129	141,294
2.8	from Individuals Loans	10,187,964	5,738,876	15,926,840	8,750,813	4,866,392	13,617,205
2.9	from Other Sectors Loans	1,031,623	3,070,440	4,102,063	980,944	2,351,471	3,332,415
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	1,681,970	0	1,681,970	398,438	0	398,438
5	Other Interest Income	11,433	115,220	126,653	153,923	983	154,906
6	Total Interest Income	16,032,546	20,926,381	36,958,927	12,533,777	17,639,450	30,173,227
	Interest Expense						
7	Interest Paid on Demand Deposits	5,307,296	858,607	6,165,903	2,171,726	889,174	3,060,900
8	Interest Paid on Time Deposits	2,428,204	3,506,630	5,934,834	683,452	3,412,388	4,095,840
9	Interest Paid on Banks Deposits	195,669	10,184	205,853	547,860	3,201	551,061
10	Interest Paid on Own Debt Securities	0	0	0	0	0	0
11	Interest Paid on Other Borrowings	175,258	4,731,264	4,906,522	151,026	4,789,306	4,940,332
12	Other Interest Expenses	32,577	689,834	722,411	39,656	1,168,444	1,208,100
13	Total Interest Expense	8,139,004	9,796,519	17,935,523	3,593,720	10,262,513	13,856,233
14	Net Interest Income	7,893,542	11,129,862	19,023,404	8,940,057	7,376,937	16,316,994
	Non-Interest Income						
15	Net Fee and Commission Income	5,809,811	1,574,533	7,384,343	4,042,860	1,630,357	5,673,217
15.1	Fee and Commission Income	6,283,767	3,738,604	10,022,371	4,337,815	2,553,082	6,890,897
15.2	Fee and Commission Expense	473,956	2,164,071	2,638,027	294,955	922,725	1,217,680
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	1,699,213	0	1,699,213	2,059,469	0	2,059,469
20	Gain (Loss) from Foreign Exchange Translation	739,091	0	739,091	(260,081)	0	(260,081)
21	Gain (Loss) on Sales of Fixed Assets	(6)	0	(6)	13,377	0	13,377
22	Non-Interest Income from other Banking Operations	195,615	0	195,615	174,258	147,381	321,639
23	Other Non-Interest Income	1,634,719	952,845	2,587,564	1,937,380	704,948	2,642,328
24	Total Non-Interest Income	10,525,443	2,527,378	13,052,821	7,967,262	2,482,686	10,449,948
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	1,038,383	672,903	1,711,286	825,389	334,450	1,159,839
26	Bank Development, Consultation and Marketing Expenses	1,341,163	485,780	1,826,943	1,397,752	136,356	1,534,108
27	Personnel Expenses	14,600,794	0	14,600,794	13,241,949	0	13,241,949
28	Operating Costs of Fixed Assets	134,966	0	134,966	191,611	0	191,611
29	Depreciation Expense	1,720,100	0	1,720,100	1,572,236	0	1,572,236
30	Other Non-Interest Expenses	2,080,876	58,832	2,139,708	2,142,278	56,051	2,198,329
31	Total Non-Interest Expenses	20,916,282	1,217,515	22,133,797	19,371,215	526,857	19,898,072
32	Net Non-Interest Income	(10,390,839)	1,309,863	(9,080,976)	(11,403,953)	1,955,829	(9,448,124)
33	Net Income before Provisions	(2,497,297)	12,439,725	9,942,428	(2,463,896)	9,332,766	6,868,870

34	Provision for Possible Loan Losses	5,393,518	X	5,393,518	(3,329,348)	X	(3,329,348)
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	455,930	X	455,930	3,932,732	X	3,932,732
37	Total Provisions for Possible Losses	5,849,448	0	5,849,448	603,384	0	603,384
38	Net Income before Taxes and Extraordinary Items	(8,346,745)	12,439,725	4,092,980	(3,067,280)	9,332,766	6,265,486
39	Taxation	232,240	0	232,240	817,791	0	817,791
40	Net Income after Taxation	(8,578,985)	12,439,725	3,860,740	(3,885,071)	9,332,766	5,447,695
41	Extraordinary Items	0		0	0		0
42	Net Income	(8,578,985)	12,439,725	3,860,740	(3,885,071)	9,332,766	5,447,695

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	305,806,125	7,665,457,605	7,971,263,730	318,984,446	3,709,493,402	4,028,477,848
1.1	Acceptances and Endorsements	0	0	0	0	0	0
1.2	Guarantees Given	9,642,838	22,044,289	31,687,127	5,031,772	26,704,292	31,736,064
1.3	Guarantees Received	226,058,962	5,968,028,535	6,194,087,497	242,459,330	2,645,975,096	2,888,434,426
1.4	Pledged Assets Given	4,480,000	0	4,480,000	0	0	0
1.5	Pledged Assets Received	65,624,325	1,675,384,781	1,741,009,106	71,493,344	1,036,814,014	1,108,307,358
1.6	Other Contingent Liabilities	0	0	0	0	0	0
2	Legally Binding Obligations	65,077,069	224,415,816	289,492,885	10,114,486	145,022,623	155,137,109
2.1	Funding Commitments of the Bank	22,724,731	55,646,450	78,371,181	10,114,486	52,248,461	62,362,947
2.2	Funding Commitments of other Parties	0	76,717,022	76,717,022	0	71,318,880	71,318,880
2.3	Commitments to Purchase Investment Securities	0	9,396	9,396	0	8,954	8,954
2.4	Commitments to Sell Investment Securities	0	0	0	0	0	0
2.5	Foreign Exchange Operations	42,352,338	24,769,561	67,121,899	0	10,783,000	10,783,000
2.6	Forward Foreign Exchange Contracts	0	67,273,387	67,273,387	0	10,663,328	10,663,328
2.7	Other Commitments	0	0	0	0	0	0
3	Other Liabilities	9,642,838	22,044,289	31,687,127	5,031,772	26,704,292	31,736,064
3.1	Obligation Of the Issuer (endorser) to the Bank	0	0	0	0	0	0
3.2	Clients' Liabilities	9,642,838	22,044,289	31,687,127	5,031,772	26,704,292	31,736,064
3.3	Third Parties' Clients' Liability to the Bank	0	0	0	0	0	0
4	Items to be Held in Safekeeping	14,477	268,765	283,242	10,094	245,408	255,502
4.1	Precious Metals	0	0	0	0	0	0
4.2	Securities	266	0	266	267	0	267
4.3	Other Items	14,211	268,765	282,976	9,827	245,408	255,235
5	Interest Rate Contracts	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	Contracts on Commodities and Shareholders Capital	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	Unsettled Documents	437,867,510	39,516	437,907,026	428,688,043	0	428,688,043
7.1	Accounting Documents not Paid in due Time by	437,867,510	39,516	437,907,026	428,688,043	0	428,688,043
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	27,240,200	48,200,112	75,440,312	24,586,914	83,133,841	107,720,755
8.1	Unpaid Interest on Loans up to 31.12.2000	17,370	72,514	89,884	2,051,569	1,305,066	3,356,635
8.2	Unpaid Interest on Loans from to 01.01.2001	1,148,849	6,069,003	7,217,852	970,524	11,960,585	12,931,109
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	8,727,947	41,645,065	50,373,012	7,916,332	69,487,883	77,404,215
8.5	Other Written Off Assets	17,346,034	413,530	17,759,564	13,648,449	380,307	14,028,756
9	Other Valuables and Documents	351,018	4,765	355,783	289,230	3,507	292,737
9.1	Undistributed value parcels	12	0	12	11	0	11
9.2	Small value inventory	278,651	0	278,651	259,936	0	259,936
9.3	Strict reporting forms	72,355	4,765	77,120	29,283	3,507	32,790
9.4	Payment of Special Lottery	0	0	0	0	0	0
10	Total	845,999,237	7,960,430,868	8,806,430,105	787,704,985	3,964,603,073	4,752,308,058

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili

Bank: JSC VTB Bank (Georgia)

Date: 30-Jun-14

Table N4

Economical Activities

		Financial Period	Previous Period
	Equity		
1	Tier 1 Capital Ratio \geq 8%	9.30%	7.31%
2	Regulatory Capital Ratio \geq 12%	12.99%	11.68%
3	Risk Weighted Assets / Total Assets	106.55%	121.80%
4	Dividends / Net Income		99.93%
	Income		
5	Total Interest Income / Average Annual Assets	8.60%	10.58%
6	Total Interest Expense / Average Annual Assets	4.17%	4.86%
7	Operational Result / Average Annual Assets	2.14%	2.50%
8	Net Interest Margin	4.43%	5.72%
9	Return on Assets (ROA)	0.90%	1.91%
10	Return on Equity (ROE)	8.96%	17.37%
	Quality of Assets		
11	Inactive loans / Total Loans	9.12%	9.44%
12	Loan Loss Reserves / Total Loans	6.63%	7.27%
13	Loans in Foreign Currency / Total Loans	64.15%	65.47%
14	Assets in Foreign Currency / Total Loans	49.30%	58.21%
15	Annual Growth Rate of Total Loans	10.80%	18.57%
	Liquidity		
16	Liquid Assets / Total Assets	31.34%	21.70%
17	Liabilities in Foreign Currency / Total Liabilities	53.44%	69.93%
18	Current and Demand Deposits / Total Assets	41.19%	32.85%

Financial Director

M. Menteshashvili

Deputy Head of Reporting Department

I. Chakhnashvili

Bank: JSC VTB Bank (Georgia)

Date: 30-Jun-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