

Bank: Türkiye İs Bankası Batumi Branch

Date: 30-Jun-13

Balance Sheet *

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| N | ASSETS | Reporting Period | | | Respective period of the previous year | | |
|-----|--|-------------------|-------------------|-------------------|--|----------|-------|
| | | GEL | Other FC | Total | GEL | Other FC | Total |
| 1 | Cash | 393,528 | 510,560 | 904,088 | | | |
| 2 | Due from NBG | 82,216 | 556,224 | 638,440 | | | |
| 3 | Due from Banks | 10,345,208 | 1,360,137 | 11,705,345 | | | |
| 4 | Dealing Securities | 0 | 0 | 0 | | | |
| 5 | Investment Securities | 0 | 0 | 0 | | | |
| 6.1 | Loans | 0 | 13,207,297 | 13,207,297 | | | |
| 6.2 | Less: Loan Loss Reserves | 0 | (264,146) | (264,146) | | | |
| 6 | Net Loans | 0 | 12,943,151 | 12,943,151 | | | |
| 7 | Accrued Interest and Dividends Receivable | 12,322 | 23,127 | 35,449 | | | |
| 8 | Other Real Estate Owned & Repossessed Assets | 0 | X | 0 | | | |
| 9 | Equity Investments | 0 | 0 | 0 | | | |
| 10 | Fixed Assets and Intangible Assets | 516,194 | X | 516,194 | | | |
| 11 | Other Assets | 82,704 | 0 | 82,704 | | | |
| 12 | TOTAL ASSETS | 11,432,173 | 15,393,199 | 26,825,371 | | | |
| | LIABILITIES | | | | | | |
| 13 | Due to Banks | 0 | 12,850,108 | 12,850,108 | | | |
| 14 | Current (Accounts) Deposits | 210,610 | 1,414,232 | 1,624,841 | | | |
| 15 | Demand Deposits | 0 | 0 | 0 | | | |
| 16 | Time Deposits | 0 | 231,658 | 231,658 | | | |
| 17 | Own Debt Securities | 0 | 0 | 0 | | | |
| 18 | Borrowings | 0 | 0 | 0 | | | |
| 19 | Accrued Interest and Dividends Payable | 0 | 4,778 | 4,778 | | | |
| 20 | Other Liabilities | 9,572 | 0 | 9,572 | | | |
| 21 | Subordinated Debentures | 0 | 0 | 0 | | | |
| 22 | Total Liabilities | 220,181 | 14,500,776 | 14,720,958 | | | |
| | EQUITY CAPITAL | | | | | | |
| 23 | Common Stock | 0 | X | 0 | | | |
| 24 | Preferred Stock | 0 | X | 0 | | | |
| 25 | Less: Repurchased Shares | 0 | X | 0 | | | |
| 26 | Share Premium | 0 | X | 0 | | | |
| 27 | General Reserves | 12,828,043 | X | 12,828,043 | | | |
| 28 | Retained Earnings | (723,630) | X | (723,630) | | | |
| 29 | Asset Revaluation Reserves | 0 | X | 0 | | | |
| 30 | Total Equity Capital | 12,104,413 | X | 12,104,413 | | | |
| 31 | TOTAL LIABILITIES AND EQUITY CAPITAL | 12,324,595 | 14,500,776 | 26,825,371 | | | |

• Non-audited data presented in accordance of the regulations of NBG

Income Statement *

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| N | Interest Income | Reporting Period | | | Respective period of the previous year | | |
|------|---|------------------|----------------|------------------|--|----|-------|
| | | GEL | FX | Total | GEL | FX | Total |
| 1 | Interest Income from Bank's "Nostro" and Deposit Accounts | 246,674 | | 246,674 | | | |
| 2 | Interest Income from Loans | 0 | 193,238 | 193,238 | | | |
| 2.1 | from the Interbank Loans | 0 | 0 | 0 | | | |
| 2.2 | from the Retail or Service Sector Loans | 0 | 192,196 | 192,196 | | | |
| 2.3 | from the Energy Sector Loans | 0 | 0 | 0 | | | |
| 2.4 | from the Agriculture and Forestry Sector Loans | 0 | 0 | 0 | | | |
| 2.5 | from the Construction Sector Loans | 0 | 0 | 0 | | | |
| 2.6 | from the Mining and Mineral Processing Sector Loans | 0 | 0 | 0 | | | |
| 2.7 | from the Transportation or Communications Sector Loans | 0 | 0 | 0 | | | |
| 2.8 | from Individuals Loans | 0 | 1,042 | 1,042 | | | |
| 2.9 | from Other Sectors Loans | 0 | 0 | 0 | | | |
| 3 | Interest and Discount Income from Securities | 0 | 0 | 0 | | | |
| 4 | Other Interest Income | 0 | 0 | 0 | | | |
| 5 | Total Interest Income | 246,674 | 193,238 | 439,912 | | | |
| | Interest Expense | | | | | | |
| 6 | Interest Paid on Demand Deposits | | | 0 | | | |
| 7 | Interest Paid on Time Deposits | | 557 | 557 | | | |
| 8 | Interest Paid on Banks Deposits | 9 | 43,288 | 43,297 | | | |
| 9 | Interest Paid on Own Debt Securities | | | 0 | | | |
| 10 | Interest Paid on Other Borrowings | | 3,639 | 3,639 | | | |
| 11 | Other Interest Expenses | | | 0 | | | |
| 12 | Total Interest Expense | 9 | 47,483 | 47,492 | | | |
| 13 | Net Interest Income | 246,665 | 145,755 | 392,420 | | | |
| | Non-Interest Income | | | | | | |
| 14 | Net Fee and Commission Income | (24,549) | 0 | (24,549) | | | |
| 14.1 | Fee and Commission Income | 71,912 | | 71,912 | | | |
| 14.2 | Fee and Commission Expense | 96,462 | | 96,462 | | | |
| 15 | Dividend Income | | | 0 | | | |
| 16 | Gain (Loss) from Dealing Securities | | | 0 | | | |
| 17 | Gain (Loss) from Investment Securities | | | 0 | | | |
| 18 | Gain (Loss) from Foreign Exchange Trading | 37,118 | | 37,118 | | | |
| 19 | Gain (Loss) from Foreign Exchange Translation | (18,906) | | (18,906) | | | |
| 20 | Gain (Loss) on Sales of Fixed Assets | | | 0 | | | |
| 21 | Non-Interest Income from other Banking Operations | 33,597 | | 33,597 | | | |
| 22 | Other Non-Interest Income | | | 0 | | | |
| 23 | Total Non-Interest Income | 27,260 | 0 | 27,260 | | | |
| | Non-Interest Expenses | | | | | | |
| 24 | Non-Interest Expenses from other Banking Operations | | | 0 | | | |
| 25 | Bank Development, Consultation and Marketing Expenses | 16,556 | | 16,556 | | | |
| 26 | Personnel Expenses | 285,626 | | 285,626 | | | |
| 27 | Operating Costs of Fixed Assets | 122,621 | | 122,621 | | | |
| 28 | Depreciation Expense | 52,148 | | 52,148 | | | |
| 29 | Other Non-Interest Expenses | 11,256 | | 11,256 | | | |
| 30 | Total Non-Interest Expenses | 488,207 | 0 | 488,207 | | | |
| 31 | Net Non-Interest Income | (460,947) | 0 | (460,947) | | | |
| 32 | Net Income before Provisions | (214,282) | 145,755 | (68,527) | | | |
| 33 | Loan Loss Reserve | 264,146 | X | 264,146 | | | |
| 34 | Provision for Possible Losses on Investments and Securities | 0 | X | 0 | | | |
| 35 | Provision for Possible Losses on Other Assets | 0 | X | 0 | | | |
| 36 | Total Provisions for Possible Losses | 264,146 | 0 | 264,146 | | | |
| 37 | Net Income before Taxes and Extraordinary Items | (478,428) | 145,755 | (332,673) | | | |
| 38 | Taxation | 0 | | 0 | | | |
| 39 | Net Income after Taxation | (478,428) | 145,755 | (332,673) | | | |
| 40 | Extraordinary Items | 0 | | 0 | | | |
| 41 | Net Income | (478,428) | 145,755 | (332,673) | | | |

| Off Balance Sheet Items | | Reporting Period | | | Respective period of the previous year | | |
|-------------------------|---|------------------|------------|------------|--|----|-------|
| N | | GEL | FX | Total | GEL | FX | Total |
| 1 | Conditional Obligations | | 30,880,085 | 30,880,085 | | | |
| 1.1 | Acceptances and Endorsements | | | | | | |
| 1.2 | Guarantees Given | | | | | | |
| 1.3 | Guarantees Received | | | | | | |
| 1.4 | Pledged Assets Given | | | | | | |
| 1.5 | Pledged Assets Received | | 30,880,085 | 30,880,085 | | | |
| 1.6 | Other Contingent Liabilities | | | | | | |
| 2 | Legally Binding Obligations | | | | | | |
| 2.1 | Funding Commitments of the Bank | | | | | | |
| 2.2 | Funding Commitments of other Parties | | | | | | |
| 2.3 | Commitments to Purchase Investment Securities | | | | | | |
| 2.4 | Commitments to Sell Investment Securities | | | | | | |
| 2.5 | Foreign Exchange Operations | | | | | | |
| 2.6 | Forward Foreign Exchange Contracts | | | | | | |
| 2.7 | Other Commitments | | | | | | |
| 3 | Other Liabilities | | | | | | |
| 3.1 | Obligation Of the Issuer (endorser) to the Bank | | | | | | |
| 3.2 | Clients' Liabilities | | | | | | |
| 3.3 | Third Parties' Clients' Liability to the Bank | | | | | | |
| 4 | Items to be Held in Safekeeping | | | | | | |
| 4.1 | Precious Metals | | | | | | |
| 4.2 | Securities | | | | | | |
| 4.3 | Other Items | | | | | | |
| 5 | Interest Rate Contracts | | | | | | |
| 5.1 | Notional Value of Interest Rate Swaps | | | | | | |
| 5.2 | Forward Contracts on Financial Instruments | | | | | | |
| 5.3 | Futures Contracts on Financial Instruments | | | | | | |
| 5.4 | Options | | | | | | |
| 6 | Contracts on Commodities and Shareholders Capital | | | | | | |
| 6.1 | Notional Value of Swaps | | | | | | |
| 6.2 | Forward Contracts | | | | | | |
| 6.3 | Futures Contracts | | | | | | |
| 6.4 | Options | | | | | | |
| 7 | Unsettled Documents | | | | | | |
| 7.1 | Accounting Documents not Paid in due Time by Reason of Client | | | | | | |
| 7.2 | Accounting Documents not Paid in due Time by Reason of Bank | | | | | | |
| 7.3 | Unissued Capital | | | | | | |
| 8 | Written Off Loans | | | | | | |
| 8.1 | Unpaid Interest on Loans up to 31.12.2000 | | | | | | |
| 8.2 | Unpaid Interest on Loans from to 01.01.2001 | | | | | | |
| 8.3 | Problem Loans Written off up to 31.12.2000 | | | | | | |
| 8.4 | Problem Loans Written off up to 01.01.2001 | | | | | | |
| 8.5 | Other Written Off Assets | | | | | | |
| 9 | Other Valuables and Documents | | | | | | |
| 9.1 | Undistributed value parcels | | | | | | |
| 9.2 | Small value inventory | | | | | | |
| 9.3 | Strict reporting forms | | | | | | |
| 9.4 | Payment of Special Lottery | | | | | | |
| 10 | Total | | 30,880,085 | 30,880,085 | | | |

| Economic Ratios | | Reporting Period | Respective period of the previous year |
|----------------------|--|------------------|--|
| CAPITAL | | | |
| 1 | Tier 1 Capital Ratio $\geq 8\%$ | 68.34% | |
| 2 | Regulatory Capital Ratio $\geq 12\%$ | 67.96% | |
| 3 | Risk Weighted Assets/Total Assets | 67.85% | |
| 4 | Cash Dividend/Net Income | 0% | |
| Income | | | |
| 5 | Total Interest Income / Average Annual Assets | 4.64% | |
| 6 | Total Interest Expense / Average Annual Assets | 0.50% | |
| 7 | Earnings from Operations / Average Annual Assets | -0.52% | |
| 8 | Net Interest Margin | 4.14% | |
| 9 | Return on Average Assets (ROA) | -3.51% | |
| 10 | Return on Average Equity (ROE) | -5.42% | |
| ASSET QUALITY | | | |
| 11 | Non Performed Loans / Total Loans | 0.00% | |
| 12 | LLR/Total Loans | 2.00% | |
| 13 | FX Loans/Total Loans | 100.00% | |
| 14 | FX Assets/Total Assets | 57.38% | |
| 15 | Loan Growth- YTD | 100.00% | |
| LIQUIDITY | | | |
| 16 | Liquid Assets/Total Assets | 49.39% | |
| 17 | FX Liabilities/Total Liabilities | 98.50% | |
| 18 | Current & Demand Deposits/Total Assets | 6.06% | |

| Information about Supervisory Council, Directorate and | |
|---|--|
| Members of Supervisory Council | |
| | Mr. Adnan Bali |
| | Mr. Ozcan Turkakin |
| | Mr. Hakan Aran |
| | Mr. Suat Ince |
| | Mr. Ertugrul Bozgedik |
| | Mr. Riza Kutlusoy |
| | Mr. Yalcin Sezen |
| | Mr. Erdal Aral |
| | Mr. Yavuz Ergin |
| Members of Board of Directors | |
| | Baris Sariibrahim |
| | Yavuz Guney |
| | Kivanc Ozsahin |
| List of Shareholders owning 1% and more of issued capital, indicating | |
| | Turkey Is Bank 100.0% |
| List of bank beneficiaries indicating names of direct or indirect holders of | |
| | Turkiye Is Bankası A.Ş, Employees' Pension Fund 39.73% |
| | Turkey Republican People's Party 28.09% |