

Bank: Türkiye İş Bankası Batumi Branch

Date: 31-Mar-14

Balance Sheet *

in lari

N	ASSETS	Reporting Period			Respective period of the previous year		
		GEL	Other FC	Total	GEL	Other FC	Total
1	Cash	219,397	618,027	837,424	66,135	396,007	462,141
2	Due from NBG	148,468	1,030,880	1,179,348	82,101	90,938	173,039
3	Due from Banks	7,065,870	2,471,148	9,537,019	10,803,711	243,982	11,047,692
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	0	0	0	0	0	0
6.1	Loans	4,631,591	27,661,112	32,292,703	0	1,729,072	1,729,072
6.2	Less: Loan Loss Reserves	(92,632)	(553,222)	(645,854)	0	(34,728)	(34,728)
6	Net Loans	4,538,959	27,107,890	31,646,849	0	1,694,344	1,694,344
7	Accrued Interest and Dividends Receivable	39,142	59,795	98,938	8,482	11,843	20,325
8	Other Real Estate Owned & Repossessed Assets	0	X	0	0	X	0
9	Equity Investments	0	0	0	0	0	0
10	Fixed Assets and Intangible Assets	963,932	X	963,932	514,423	X	514,423
11	Other Assets	141,228	17	141,246	16,400	0	16,400
12	TOTAL ASSETS	13,116,997	31,287,758	44,404,755	11,491,252	2,437,114	13,928,365
	LIABILITIES						
13	Due to Banks	0	1,372,865	1,372,865	0	584,645	584,645
14	Current (Accounts) Deposits	404,026	5,158,054	5,562,081	378,413	566,338	944,751
15	Demand Deposits	0	0	0	0	0	0
16	Time Deposits	0	0	0	0	0	0
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	0	25,070,932	25,070,932	0	0	0
19	Accrued Interest and Dividends Payable	0	27,444	27,444	0	0	0
20	Other Liabilities	18,875	0	18,875	4	0	4
21	Subordinated Debentures	0	0	0	0	0	0
22	Total Liabilities	422,901	31,629,296	32,052,196	378,417	1,150,983	1,529,400
	EQUITY CAPITAL						
23	Common Stock	0	X	0	0	X	0
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	12,996,210	X	12,996,210	12,828,043	X	12,828,043
28	Retained Earnings	(643,651)	X	(643,651)	(429,077)	X	(429,077)
29	Asset Revaluation Reserves	0	X	0	0	X	0
30	Total Equity Capital	12,352,559	X	12,352,559	12,398,966	X	12,398,966
31	TOTAL LIABILITIES AND EQUITY CAPITAL	12,775,460	31,629,296	44,404,755	12,777,383	1,150,983	13,928,365

• 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	80,460		80,460	140,963		140,963
2	Interest Income from Loans	8,994	483,656	492,650	0	25,211	25,211
2.1	from the Interbank Loans	0	0	0			
2.2	from the Retail or Service Sector Loans	6,867	481,253	488,120	0	25,211	25,211
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	2,127	2,403	4,530			
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	89,454	483,656	573,110	140,963	25,211	166,175
	Interest Expense						
6	Interest Paid on Demand Deposits			0			0
7	Interest Paid on Time Deposits		2,212	2,212			0
8	Interest Paid on Banks Deposits	0	1,607	1,607	9		9
9	Interest Paid on Own Debt Securities			0			0
10	Interest Paid on Other Borrowings		150,038	150,038		3,639	3,639
11	Other Interest Expenses			0			0
12	Total Interest Expense	0	153,857	153,857	9	3,639	3,647
13	Net Interest Income	89,454	329,800	419,253	140,954	21,573	162,527
	Non-Interest Income						
14	Net Fee and Commission Income	240	0	240	(42,956)	0	(42,956)
14.1	Fee and Commission Income	30,060		30,060	14,409		14,409
14.2	Fee and Commission Expense	29,820		29,820	57,365		57,365
15	Dividend Income			0			0
16	Gain (Loss) from Dealing Securities			0			0
17	Gain (Loss) from Investment Securities			0			0
18	Gain (Loss) from Foreign Exchange Trading	39,567		39,567	25,943		25,943
19	Gain (Loss) from Foreign Exchange Translation	10,469		10,469	(13,714)		(13,714)
20	Gain (Loss) on Sales of Fixed Assets			0			0
21	Non-Interest Income from other Banking Operations	371,351		371,351	1,739		1,739
22	Other Non-Interest Income			0			0
23	Total Non-Interest Income	421,626	0	421,626	(28,989)	0	(28,989)
	Non-Interest Expenses						
24	Non-Interest Expenses from other Banking Operations			0			0
25	Bank Development, Consultation and Marketing Expenses	47,741		47,741	9,539		9,539
26	Personnel Expenses	308,889		308,889	121,094		121,094
27	Operating Costs of Fixed Assets	41,465		41,465	59,516		59,516
28	Depreciation Expense	48,845		48,845	3,980		3,980
29	Other Non-Interest Expenses	31,959		31,959			0
30	Total Non-Interest Expenses	478,898	0	478,898	194,129	0	194,129
31	Net Non-Interest Income	(57,272)	0	(57,272)	(223,117)	0	(223,117)
32	Net Income before Provisions	32,182	329,800	361,982	(82,163)	21,573	(60,590)
33	Loan Loss Reserve	308,979	X	308,979	34,728	X	34,728
34	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
35	Provision for Possible Losses on Other Assets	0	X	0	0	X	0
36	Total Provisions for Possible Losses	308,979	0	308,979	34,728	0	34,728
37	Net Income before Taxes and Extraordinary Items	(276,797)	329,800	53,003	(116,891)	21,573	(95,318)
38	Taxation			0			0
39	Net Income after Taxation	(276,797)	329,800	53,003	(116,891)	21,573	(95,318)
40	Extraordinary Items			0			0
41	Net Income	(276,797)	329,800	53,003	(116,891)	21,573	(95,318)

Off Balance Sheet Items				in lari			
N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Conditional Obligations	0	103,354,854	103,354,854	0	3,912,172	3,912,172
1.1	Acceptances and Endorsements			0			
1.2	Guarantees Given			0			
1.3	Guarantees Received			0			
1.4	Pledged Assets Given			0			
1.5	Pledged Assets Received		103,354,854	103,354,854		3,912,172	3,912,172
1.6	Other Contingent Liabilities			0			
2	Legally Binding Obligations	0	16	16	0	0	0
2.1	Funding Commitments of the Bank		16	16			0
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	0	103,354,870	103,354,870	0	3,912,172	3,912,172

Economic Ratios

	Reporting Period	Respective period of the previous year
CAPITAL		
1	Tier 1 Capital Ratio \geq 8%	65.06% / 137.12%
2	Regulatory Capital Ratio \geq 12%	66.62% / 136.46%
3	Risk Weighted Assets/Total Assets	41.11% / 65.42%
4	Cash Dividend/Net Income	0% / 0%
Income		
5	Total Interest Income / Average Annual Assets	6.60% / 4.46%
6	Total Interest Expense / Average Annual Assets	1.77% / 0.10%
7	Earnings from Operations / Average Annual Assets	4.05% / -1.26%
8	Net Interest Margin	4.83% / 4.37%
9	Return on Average Assets (ROA)	0.61% / -2.56%
10	Return on Average Equity (ROE)	1.73% / -3.07%
ASSET QUALITY		
11	Non Performed Loans / Total Loans	0.00% / 0.00%
12	LLR/Total Loans	2.00% / 2.01%
13	FX Loans/Total Loans	85.66% / 100.00%
14	FX Assets/Total Assets	70.46% / 17.50%
15	Loan Growth- YTD	91.72% / 100.00%
LIQUIDITY		
16	Liquid Assets/Total Assets	26.02% / 83.88%
17	FX Liabilities/Total Liabilities	98.68% / 75.26%
18	Current & Demand Deposits/Total Assets	12.53% / 6.78%

Information about Supervisory Council, Directorate and

Members of Supervisory Council	
Mr. Adnan Bali	
Mr. Ilhami Koc	
Mr. Hakan Aran	
Mr. Suat Ince	
Mr. Yilmaz Erturk	
Mr. Murat Biglic	
Mr. Yalcin Sezen	
Mr. Omer Karakus	
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.S, Employees' Pension Fund	39.73%
Turkey Republican People's Party	28.09%