

Bank: JSC Isbank Georgia  
Date: 09/30/15

**Balance Sheet \***

*in LARI*

N	ASSETS	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	1,719,204	3,103,703	4,822,907	297,366	1,494,855	1,792,220
2	Due from NBG	161,739	19,415,088	19,576,828	2,131,314	2,634,269	4,765,583
3	Due from Banks	19,704,910	5,501,923	25,206,832	4,048,104	1,884,408	5,932,512
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	0	0	0	0	0	0
6.1	Loans	8,773,737	133,447,221	142,220,958	5,315,754	34,633,435	39,949,189
6.2	Less: Loan Loss Reserves	(176,229)	(2,676,792)	(2,853,021)	(106,315)	(692,669)	(798,984)
6	Net Loans	8,597,508	130,770,429	139,367,937	5,209,439	33,940,766	39,150,205
7	Accrued Interest and Dividends Receivable	47,170	1,710,379	1,757,550	19,737	856,562	876,299
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	2,721,357	X	2,721,357	1,804,373	X	1,804,373
11	Other Assets	2,221,346	10,916	2,232,261	133,730	24	133,753
12	<b>TOTAL ASSETS</b>	<b>35,173,234</b>	<b>160,512,438</b>	<b>195,685,672</b>	<b>13,644,063</b>	<b>40,810,882</b>	<b>54,454,945</b>
	<b>LIABILITIES</b>						
13	Due to Banks	0	109,176,769	109,176,769	0	7,546,832	7,546,832
14	Current (Accounts) Deposits	5,697,896	8,150,831	13,848,727	1,472,044	1,708,671	3,180,715
15	Demand Deposits	0	0	0	0	0	0
16	Time Deposits	294,714	39,868,625	40,163,340	0	3,629,707	3,629,707
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	0	0	0	0	27,759,023	27,759,023
19	Accrued Interest and Dividends Payable	1,248	1,369,192	1,370,440	0	87,132	87,132
20	Other Liabilities	343,310	61,814	405,124	20,389	193	20,582
21	Subordinated Debentures	0	0	0	0	0	0
22	<b>Total Liabilities</b>	<b>6,337,168</b>	<b>158,627,231</b>	<b>164,964,399</b>	<b>1,492,433</b>	<b>40,731,558</b>	<b>42,223,991</b>
	<b>EQUITY CAPITAL</b>						
23	Common Stock	30,000,000	X	30,000,000	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	0	X	0	13,013,484	X	13,013,484
28	Retained Earnings	721,273	X	721,273	(782,529)	X	(782,529)
29	Asset Revaluation Reserves	0	X	0	0	X	0
30	<b>Total Equity Capital</b>	<b>30,721,273</b>	<b>X</b>	<b>30,721,273</b>	<b>12,230,955</b>	<b>X</b>	<b>12,230,955</b>
31	<b>TOTAL LIABILITIES AND EQUITY CAPITAL</b>	<b>37,058,441</b>	<b>158,627,231</b>	<b>195,685,672</b>	<b>13,723,388</b>	<b>40,731,558</b>	<b>54,454,945</b>

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

**\*\* - Note: The bank's legal form was changed from 1th of August,2015. TURKIYE IS BANKASI A.S. BATUMI BRANCH was liquidated and JSC Isbank Georgia continues to operate in its place. Retained earnings, showed in balance sheets, reflects period from 1th of August, 2015.**

**Income Statement \***

*in LARI*

N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
	<b>Interest Income</b>						
1	Interest Income from Bank's "Nostro" and Deposit Accounts	349,003	0	349,003	182,477		182,477
2	Interest Income from Loans	8,512,594	0	8,512,594	2,486,699	0	2,486,699
2.1	from the Interbank Loans	0	0	0	0	0	0
2.2	from the Retail or Service Sector Loans	6,583,937	0	6,583,937	2,442,573	0	2,442,573
2.3	from the Energy Sector Loans	0	0	0	0	0	0
2.4	from the Agriculture and Forestry Sector Loans	0	0	0	0	0	0
2.5	from the Construction Sector Loans	0	0	0	0	0	0
2.6	from the Mining and Mineral Processing Sector Loans	0	0	0	0	0	0
2.7	from the Transportation or Communications Sector Loans	0	0	0	0	0	0
2.8	from Individuals Loans	1,928,657	0	1,928,657	44,126	0	44,126
2.9	from Other Sectors Loans	0	0	0	0	0	0
3	Fees/penalties income from loans to customers	0	0	0	14,519		14,519
4	Interest and Discount Income from Securities	0	0	0	0	0	0
5	Other Interest Income	36,597	0	36,597	0	0	0
6	<b>Total Interest Income</b>	<b>8,898,193</b>	<b>0</b>	<b>8,898,193</b>	<b>2,683,695</b>	<b>0</b>	<b>2,683,695</b>
	<b>Interest Expense</b>						
7	Interest Paid on Demand Deposits	16,308	0	16,308			0
8	Interest Paid on Time Deposits	1,647,956	0	1,647,956		29,828	29,828
9	Interest Paid on Banks Deposits	363,711	0	363,711	0	12,796	12,796
10	Interest Paid on Own Debt Securities	0	0	0			0
11	Interest Paid on Other Borrowings	2,192,919	0	2,192,919		781,262	781,262
12	Other Interest Expenses	5,977	0	5,977			0
13	<b>Total Interest Expense</b>	<b>4,226,871</b>	<b>0</b>	<b>4,226,871</b>	<b>0</b>	<b>823,886</b>	<b>823,886</b>
14	<b>Net Interest Income</b>	<b>4,671,322</b>	<b>0</b>	<b>4,671,322</b>	<b>2,683,695</b>	<b>(823,886)</b>	<b>1,859,809</b>
	<b>Non-Interest Income</b>						
15	Net Fee and Commission Income	162,617	0	162,617	(4,740)	0	(4,740)
15.1	Fee and Commission Income	351,501	0	351,501	102,489		102,489
15.2	Fee and Commission Expense	188,884	0	188,884	107,229		107,229
16	Dividend Income	0	0	0			0
17	Gain (Loss) from Dealing Securities	0	0	0			0
18	Gain (Loss) from Investment Securities	0	0	0			0
19	Gain (Loss) from Foreign Exchange Trading	699,118	0	699,118	137,801		137,801
20	Gain (Loss) from Foreign Exchange Translation	332,505	0	332,505	(12,363)		(12,363)
21	Gain (Loss) on Sales of Fixed Assets	0	0	0			0
22	Non-Interest Income from other Banking Operations	203,848	0	203,848	439,166		439,166
23	Other Non-Interest Income	82,455	0	82,455	6,497		6,497
24	<b>Total Non-Interest Income</b>	<b>1,480,543</b>	<b>0</b>	<b>1,480,543</b>	<b>566,361</b>	<b>0</b>	<b>566,361</b>
	<b>Non-Interest Expenses</b>						
25	Non-Interest Expenses from other Banking Operations	58,905	0	58,905			0
26	Bank Development, Consultation and Marketing Expenses	223,219	0	223,219	228,346		228,346
27	Personnel Expenses	2,071,095	0	2,071,095	1,203,304		1,203,304
28	Operating Costs of Fixed Assets	587,310	0	587,310	362,324		362,324
29	Depreciation Expense	378,551	0	378,551	195,015		195,015
30	Other Non-Interest Expenses	441,552	0	441,552	60,948		60,948
31	<b>Total Non-Interest Expenses</b>	<b>3,760,632</b>	<b>0</b>	<b>3,760,632</b>	<b>2,049,937</b>	<b>0</b>	<b>2,049,937</b>
32	<b>Net Non-Interest Income</b>	<b>(2,280,089)</b>	<b>0</b>	<b>(2,280,089)</b>	<b>(1,483,576)</b>	<b>0</b>	<b>(1,483,576)</b>
33	<b>Net Income before Provisions</b>	<b>2,391,233</b>	<b>0</b>	<b>2,391,233</b>	<b>1,200,119</b>	<b>(823,886)</b>	<b>376,233</b>
34	Loan Loss Reserve	1,425,245	X	1,425,245	462,108	X	462,108
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	71,303	X	71,303	0	X	0
37	<b>Total Provisions for Possible Losses</b>	<b>1,496,548</b>	<b>0</b>	<b>1,496,548</b>	<b>462,108</b>	<b>0</b>	<b>462,108</b>
38	<b>Net Income before Taxes and Extraordinary Items</b>	<b>894,685</b>	<b>0</b>	<b>894,685</b>	<b>738,011</b>	<b>(823,886)</b>	<b>(85,875)</b>
39	Taxation	0		0			0
40	<b>Net Income after Taxation</b>	<b>894,685</b>	<b>0</b>	<b>894,685</b>	<b>738,011</b>	<b>(823,886)</b>	<b>(85,875)</b>
41	Extraordinary Items	0		0			0
42	<b>Net Income</b>	<b>894,685</b>	<b>0</b>	<b>894,685</b>	<b>738,011</b>	<b>(823,886)</b>	<b>(85,875)</b>

## Off Balance Sheet Items

in LARI

N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	<b>Conditional Obligations</b>	2,441,914	111,209,473	113,651,387	1,155,285	115,534,636	116,689,921
1.1	Acceptances and Endorsements			0	0	0	0
1.2	Guarantees Given	2,441,914	373,911	2,815,825	1,155,285	87,620	1,242,905
1.3	Guarantees Received			0	0	0	0
1.4	Pledged Assets Given			0	0	0	0
1.5	Pledged Assets Received	0	110,835,562	110,835,562	0	115,447,016	115,447,016
1.6	Other Contingent Liabilities			0	0	0	0
2	<b>Legally Binding Obligations</b>	44,831	0	44,831	4,572	0	4,572
2.1	Funding Commitments of the Bank	44,831		44,831	4,572		4,572
2.2	Funding Commitments of other Parties			0			0
2.3	Commitments to Purchase Investment Securities			0			0
2.4	Commitments to Sell Investment Securities			0			0
2.5	Foreign Exchange Operations			0			0
2.6	Forward Foreign Exchange Contracts			0			0
2.7	Other Commitments			0			0
3	<b>Other Liabilities</b>	0	0	0	0	0	0
3.1	Obligation Of the Issuer (endorser) to the Bank			0			0
3.2	Clients' Liabilities			0			0
3.3	Third Parties' Clients' Liability to the Bank			0			0
4	<b>Items to be Held in Safekeeping</b>	0	0	0	0	0	0
4.1	Precious Metals			0			0
4.2	Securities			0			0
4.3	Other Items			0			0
5	<b>Interest Rate Contracts</b>	0	0	0	0	0	0
5.1	Notional Value of Interest Rate Swaps			0			0
5.2	Forward Contracts on Financial Instruments			0			0
5.3	Futures Contracts on Financial Instruments			0			0
5.4	Options			0			0
6	<b>Contracts on Commodities and Shareholders Capital</b>	0	0	0	0	0	0
6.1	Notional Value of Swaps			0			0
6.2	Forward Contracts			0			0
6.3	Futures Contracts			0			0
6.4	Options			0			0
7	<b>Unsettled Documents</b>	0	0	0	0	0	0
7.1	Accounting Documents not Paid in due Time by Reason of Client			0			0
7.2	Accounting Documents not Paid in due Time by Reason of Bank			0			0
7.3	Unissued Capital			0			0
8	<b>Written Off Loans</b>	0	0	0	0	0	0
8.1	Unpaid Interest on Loans up to 31.12.2000			0			0
8.2	Unpaid Interest on Loans from to 01.01.2001			0			0
8.3	Problem Loans Written off up to 31.12.2000			0			0
8.4	Problem Loans Written off up to 01.01.2001			0			0
8.5	Other Written Off Assets			0			0
9	<b>Other Valuables and Documents</b>	0	0	0	0	0	0
9.1	Undistributed value parcels			0			0
9.2	Small value inventory			0			0
9.3	Strict reporting forms			0			0
9.4	Payment of Special Lottery			0			0
10	<b>Total</b>	2,486,745	111,209,473	113,696,218	1,159,857	115,534,636	116,694,493

## Economic Ratios

	Reporting Period	Respective period of the previous year
<b>CAPITAL</b>		
1	Tier 1 Capital Ratio $\geq$ 7.6%	38.78% 49.99%
2	Regulatory Capital Ratio $\geq$ 11.4%	41.01% 50.91%
3	Risk Weighted Assets/Total Assets	38.88% 43.90%
4	Cash Dividend/Net Income	0.00% 0.00%
<b>Income</b>		
5	Total Interest Income / Average Annual Assets	8.23% 8.19%
6	Total Interest Expense / Average Annual Assets	3.91% 2.52%
7	Earnings from Operations / Average Annual Assets	1.91% 1.19%
8	Net Interest Margin	4.32% 5.68%
9	Return on Average Assets (ROA)	0.83% -0.26%
10	Return on Average Equity (ROE)	7.24% -0.94%
<b>ASSET QUALITY</b>		
11	Non Performed Loans / Total Loans	0.01% 0.00%
12	LLR/Total Loans	2.01% 2.00%
13	FX Loans/Total Loans	93.83% 86.69%
14	FX Assets/Total Assets	82.03% 74.94%
15	Loan Growth- YTD	105.71% 137.17%
<b>LIQUIDITY</b>		
16	Liquid Assets/Total Assets	25.35% 22.94%
17	FX Liabilities/Total Liabilities	96.16% 96.47%
18	Current & Demand Deposits/Total Assets	7.08% 5.84%

## Information about Supervisory Board, Directorate and Shareholders

Members of Supervisory Board	
1	Mr. Suat Ince
2	Mr. Yalcin Sezen
3	Mr. Hakan Aran
4	Mr. Ilhami Koc
5	Mr. Yilmaz Erturk
6	Mr. Murat Bilgic
7	Mr. Yavuz Ergin
Members of Board of Directors	
1	Mr. Ahmet Turk
2	M. Omer Karakus
3	Mr. Murat Bilgic
List of Shareholders owning 1% and more of issued capital, indicating Shares	
1	TURKIYE IS BANKASI A.S. 100.00%
2	
6	
List of bank beneficiaries indicating names of direct or indirect holders of 5%	
1	Turkiye Is Bankası A.S. Employees' Pension Fund 40.15%
2	Turkey Republican People's Party 28.09%
3	