

Bank: Turkey IS Bank Batumi Branch

Date: 31-Mar-15

sheet N1

Balance Sheet *

in lari

N	ASSETS	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	369,921	1,486,607	1,856,528	219,397	618,027	837,424
2	Due from NBG	53,226	9,594,270	9,647,496	148,468	1,030,880	1,179,348
3	Due from Banks	3,803,624	4,822,067	8,625,692	7,065,870	2,471,148	9,537,019
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	0	0	0	0	0	0
6.1	Loans	7,685,363	93,769,284	101,454,647	4,631,591	27,661,112	32,292,703
6.2	Less: Loan Loss Reserves	(153,707)	(1,875,386)	(2,029,093)	(92,632)	(553,222)	(645,854)
6	Net Loans	7,531,656	91,893,898	99,425,554	4,538,959	27,107,890	31,646,849
7	Accrued Interest and Dividends Receivable	33,603	2,660,142	2,693,745	39,142	59,795	98,938
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	1,921,492	X	1,921,492	963,932	X	963,932
11	Other Assets	259,391	21,419	280,811	141,228	17	141,246
12	TOTAL ASSETS	13,972,912	110,478,405	124,451,318	13,116,997	31,287,758	44,404,755
	LIABILITIES						
13	Due to Banks	0	18,716,694	18,716,694	0	1,372,865	1,372,865
14	Current (Accounts) Deposits	1,501,127	4,163,005	5,664,132	404,026	5,158,054	5,562,081
15	Demand Deposits	0	0	0	0	0	0
16	Time Deposits	0	28,679,245	28,679,245	0	0	0
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	0	58,267,274	58,267,274	0	25,070,932	25,070,932
19	Accrued Interest and Dividends Payable	0	626,933	626,933	0	27,444	27,444
20	Other Liabilities	129,186	10,035	139,220	18,875	0	18,875
21	Subordinated Debentures	0	0	0	0	0	0
22	Total Liabilities	1,630,313	110,463,186	112,093,499	422,901	31,629,296	32,052,196
	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	13,013,484	X	13,013,484	12,996,210	X	12,996,210
28	Retained Earnings	(655,665)	X	(655,665)	(643,651)	X	(643,651)
29	Asset Revaluation Reserves	0	X	0	0	X	0
30	Total Equity Capital	12,357,819	X	12,357,819	12,352,559	X	12,352,559
31	TOTAL LIABILITIES AND EQUITY CAPITAL	13,988,132	110,463,186	124,451,318	12,775,460	31,629,296	44,404,755

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

Income Statement *

in lari

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	50,062		50,062	80,460		80,460
2	Interest Income from Loans	2,425,824	0	2,425,824	8,994	483,656	492,650
2.1	from the Interbank Loans	0	0	0	0	0	0
2.2	from the Retail or Service Sector Loans	1,899,113	0	1,899,113	6,867	481,253	488,120
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	526,711	0	526,711	2,127	2,403	4,530
2.9	from Other Sectors Loans	0	0	0	0	0	0
3	Fees/penalties income from loans to customers	0	0	0	0	0	0
4	Interest and Discount Income from Securities	0	0	0	0	0	0
5	Other Interest Income	0	0	0	0	0	0
6	Total Interest Income	2,475,886	0	2,475,886	89,454	483,656	573,110
	Interest Expense						
7	Interest Paid on Demand Deposits			0			0
8	Interest Paid on Time Deposits	449,704	0	449,704		2,212	2,212
9	Interest Paid on Banks Deposits	43,363	0	43,363	0	1,607	1,607
10	Interest Paid on Own Debt Securities			0			0
11	Interest Paid on Other Borrowings	523,882	0	523,882		150,038	150,038
12	Other Interest Expenses			0			0
13	Total Interest Expense	1,016,949	0	1,016,949	0	153,857	153,857
14	Net Interest Income	1,458,937	0	1,458,937	89,454	329,800	419,253
	Non-Interest Income						
15	Net Fee and Commission Income	31,897	0	31,897	240	0	240
15.1	Fee and Commission Income	59,090		59,090	30,060		30,060
15.2	Fee and Commission Expense	27,193		27,193	29,820		29,820
16	Dividend Income			0			0
17	Gain (Loss) from Dealing Securities			0			0
18	Gain (Loss) from Investment Securities			0			0
19	Gain (Loss) from Foreign Exchange Trading	158,909		158,909	39,567		39,567
20	Gain (Loss) from Foreign Exchange Translation	161,180		161,180	10,469		10,469
21	Gain (Loss) on Sales of Fixed Assets			0			0
22	Non-Interest Income from other Banking Operations	80,597		80,597	371,351		371,351
23	Other Non-Interest Income	19,164		19,164			0
24	Total Non-Interest Income	451,746	0	451,746	421,626	0	421,626
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations			0			0
26	Bank Development, Consultation and Marketing Expenses	58,175		58,175	47,741		47,741
27	Personnel Expenses	623,355		623,355	308,889		308,889
28	Operating Costs of Fixed Assets	179,272		179,272	41,465		41,465
29	Depreciation Expense	112,193		112,193	48,845		48,845
30	Other Non-Interest Expenses	90,601		90,601	31,959		31,959
31	Total Non-Interest Expenses	1,063,596	0	1,063,596	478,898	0	478,898
32	Net Non-Interest Income	(611,850)	0	(611,850)	(57,272)	0	(57,272)
33	Net Income before Provisions	847,087	0	847,087	32,182	329,800	361,982
34	Loan Loss Reserve	660,998	X	660,998	308,979	X	308,979
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	0	X	0	0	X	0
37	Total Provisions for Possible Losses	660,998	0	660,998	308,979	0	308,979
38	Net Income before Taxes and Extraordinary Items	186,089	0	186,089	(276,797)	329,800	53,003
39	Taxation			0			0
40	Net Income after Taxation	186,089	0	186,089	(276,797)	329,800	53,003
41	Extraordinary Items			0			0
42	Net Income	186,089	0	186,089	(276,797)	329,800	53,003

Off Balance Sheet Items				in lari			
N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Conditional Obligations	2,872,602	255,008,166	257,880,768	0	103,354,854	103,354,854
1.1	Acceptances and Endorsements			0			0
1.2	Guarantees Given	2,872,602	111,375	2,983,977			0
1.3	Guarantees Received			0			0
1.4	Pledged Assets Given			0			0
1.5	Pledged Assets Received		254,896,791	254,896,791		103,354,854	103,354,854
1.6	Other Contingent Liabilities			0			0
2	Legally Binding Obligations	37,741	0	37,741	0	16	16
2.1	Funding Commitments of the Bank	37,741	0	37,741		16	16
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	2,910,343	255,008,166	257,918,509	0	103,354,870	103,354,870

Economic Ratios

	Reporting Period	Respective period of the previous year
CAPITAL		
1	Tier 1 Capital Ratio $\geq 7.6\%$	14.95% / 65.06%
2	Regulatory Capital Ratio $\geq 11.4\%$	16.45% / 66.62%
3	Risk Weighted Assets/Total Assets	63.06% / 41.11%
4	Cash Dividend/Net Income	0% / 0%
Income		
5	Total Interest Income / Average Annual Assets	8.99% / 6.60%
6	Total Interest Expense / Average Annual Assets	3.69% / 1.77%
7	Earnings from Operations / Average Annual Assets	2.49% / 4.05%
8	Net Interest Margin	5.29% / 4.83%
9	Return on Average Assets (ROA)	0.68% / 0.61%
10	Return on Average Equity (ROE)	6.00% / 1.73%
ASSET QUALITY		
11	Non Performed Loans / Total Loans	0.00% / 0.00%
12	LLR/Total Loans	2.00% / 2.00%
13	FX Loans/Total Loans	92.42% / 85.66%
14	FX Assets/Total Assets	88.77% / 70.46%
15	Loan Growth-YTD	46.75% / 91.72%
LIQUIDITY		
16	Liquid Assets/Total Assets	14.38% / 26.02%
17	FX Liabilities/Total Liabilities	98.55% / 98.68%
18	Current & Demand Deposits/Total Assets	4.55% / 12.53%

Information about Supervisory Board, Directorate and

Members of Supervisory Board	
Mr. Adnan Bali	
Mr. İlhami 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	100.00%
List of bank beneficiaries indicating names of direct or indirect holders	
Turkiye Is Bankası A.S, Employees' Pension Fund	39.73%
Turkey Republican People's Party	28.09%