

Bank: JSC Isbank Georgia  
Date: 30-Jun-16

## Balance Sheet \*

in lari

N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
	<b>ASSETS</b>						
1	Cash	1,892,630	2,853,796	4,746,426	858,261	1,595,083	2,453,344
2	Due from NBG	247,734	34,929,896	35,177,630	599,362	13,797,623	14,396,985
3	Due from Banks	17,001,100	9,186,579	26,187,679	3,604,413	6,508,266	10,112,679
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	0	0	0	0	0	0
6.1	Loans	20,890,311	139,549,244	160,439,556	7,121,983	107,299,685	114,421,668
6.2	Less: Loan Loss Reserves	(1,028,799)	(2,963,536)	(3,992,336)	(144,947)	(2,150,612)	(2,295,559)
6	Net Loans	19,861,512	136,585,708	156,447,220	6,977,036	105,149,074	112,126,109
7	Accrued Interest and Dividends Receivable	238,561	1,233,667	1,472,228	30,904	1,417,921	1,448,825
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	2,754,123	X	2,754,123	2,032,131	X	2,032,131
11	Other Assets	819,399	385,066	1,204,465	338,815	6,214	345,029
12	<b>TOTAL ASSETS</b>	<b>42,815,060</b>	<b>185,174,712</b>	<b>227,989,771</b>	<b>14,440,922</b>	<b>128,474,182</b>	<b>142,915,104</b>
	<b>LIABILITIES</b>						
13	Due to Banks	0	136,146,195	136,146,195	0	26,298,972	26,298,972
14	Current (Accounts) Deposits	8,042,074	5,167,733	13,209,807	1,246,677	4,339,760	5,586,437
15	Demand Deposits	0	0	0	0	0	0
16	Time Deposits	104,053	44,328,996	44,433,049	100,000	34,074,795	34,174,795
17	Own Debt Securities			0			0
18	Borrowings	0	0	0	0	63,235,318	63,235,318
19	Accrued Interest and Dividends Payable	969	1,534,312	1,535,281	972	783,064	784,036
20	Other Liabilities	613,316	205,290	818,606	139,514	4,462	143,976
21	Subordinated Debentures	0	0	0	0	0	0
22	<b>Total Liabilities</b>	<b>8,760,412</b>	<b>187,382,526</b>	<b>196,142,938</b>	<b>1,487,163</b>	<b>128,736,372</b>	<b>130,223,535</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	1,846,833	X	1,846,833	(321,916)	X	(321,916)
29	Asset Revaluation Reserves	0	X	0	0	X	0
30	<b>Total Equity Capital</b>	<b>31,846,833</b>	<b>X</b>	<b>31,846,833</b>	<b>12,691,568</b>	<b>X</b>	<b>12,691,568</b>
31	<b>TOTAL LIABILITIES AND EQUITY CAPITAL</b>	<b>40,607,245</b>	<b>187,382,526</b>	<b>227,989,771</b>	<b>14,178,732</b>	<b>128,736,372</b>	<b>142,915,104</b>

\* Non-audited data presented in accordance of the regulations of NBG  
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	845,864	0	845,864	112,392		112,392
2	Interest Income from Loans	6,649,117	0	6,649,117	5,458,516	0	5,458,516
2.1	from the Interbank Loans	0	0	0	0	0	0
2.2	from the Retail or Service Sector Loans	5,032,394		5,032,394	4,305,118	0	4,305,118
2.3	from the Energy Sector Loans	0		0	0	0	0
2.4	from the Agriculture and Forestry Sector Loans	157,723		157,723	0	0	0
2.5	from the Construction Sector Loans	0		0	0	0	0
2.6	from the Mining and Mineral Processing Sector Loans	0		0	0	0	0
2.7	from the Transportation or Communications Sector Loans	0		0	0	0	0
2.8	from Individuals Loans	1,459,001	0	1,459,001	1,153,398	0	1,153,398
2.9	from Other Sectors Loans	0	0	0	0	0	0
3	Fees/penalties income from loans to customers	28	0	28	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	<b>Total Interest Income</b>	<b>7,495,010</b>	<b>0</b>	<b>7,495,010</b>	<b>5,570,909</b>	<b>0</b>	<b>5,570,909</b>
	<b>Interest Expense</b>						
7	Interest Paid on Demand Deposits	12,671	0	12,671			0
8	Interest Paid on Time Deposits	1,001,314	0	1,001,314	988,544	0	988,544
9	Interest Paid on Banks Deposits	825,106		825,106	168,208	0	168,208
10	Interest Paid on Own Debt Securities	0		0			0
11	Interest Paid on Other Borrowings	1,770,844		1,770,844	1,375,510	0	1,375,510
12	Other Interest Expenses	0		0	2,530		2,530
13	<b>Total Interest Expense</b>	<b>3,609,934</b>	<b>0</b>	<b>3,609,934</b>	<b>2,534,792</b>	<b>0</b>	<b>2,534,792</b>
14	<b>Net Interest Income</b>	<b>3,885,076</b>	<b>0</b>	<b>3,885,076</b>	<b>3,036,116</b>	<b>0</b>	<b>3,036,116</b>
	<b>Non-Interest Income</b>						
15	Net Fee and Commission Income	43,932	0	43,932	59,934	0	59,934
15.1	Fee and Commission Income	620,046	0	620,046	126,225		126,225
15.2	Fee and Commission Expense	576,114	0	576,114	66,291		66,291
16	Dividend Income	0		0			0
17	Gain (Loss) from Dealing Securities	0		0			0
18	Gain (Loss) from Investment Securities	0		0			0
19	Gain (Loss) from Foreign Exchange Trading	516,567		516,567	302,679		302,679
20	Gain (Loss) from Foreign Exchange Translation	(149,028)		(149,028)	181,079		181,079
21	Gain (Loss) on Sales of Fixed Assets	0		0			0
22	Non-Interest Income from other Banking Operations	148,020		148,020	155,189		155,189
23	Other Non-Interest Income	600	0	600	59,453		59,453
24	<b>Total Non-Interest Income</b>	<b>560,092</b>	<b>0</b>	<b>560,092</b>	<b>758,334</b>	<b>0</b>	<b>758,334</b>
	<b>Non-Interest Expenses</b>						
25	Non-Interest Expenses from other Banking Operations	0		0			0
26	Bank Development, Consultation and Marketing Expenses	175,575	0	175,575	128,666		128,666
27	Personnel Expenses	1,853,755		1,853,755	1,411,214		1,411,214
28	Operating Costs of Fixed Assets	15,622		15,622	404,869		404,869
29	Depreciation Expense	328,108		328,108	219,856		219,856
30	Other Non-Interest Expenses	693,459	0	693,459	190,991		190,991
31	<b>Total Non-Interest Expenses</b>	<b>3,066,519</b>	<b>0</b>	<b>3,066,519</b>	<b>2,355,596</b>	<b>0</b>	<b>2,355,596</b>
32	<b>Net Non-Interest Income</b>	<b>(2,506,427)</b>	<b>0</b>	<b>(2,506,427)</b>	<b>(1,597,262)</b>	<b>0</b>	<b>(1,597,262)</b>
33	<b>Net Income before Provisions</b>	<b>1,378,649</b>	<b>0</b>	<b>1,378,649</b>	<b>1,438,854</b>	<b>0</b>	<b>1,438,854</b>
34	Loan Loss Reserve	(180,776)	X	(180,776)	867,791	X	867,791
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	68,577	X	68,577	51,226	X	51,226
37	<b>Total Provisions for Possible Losses</b>	<b>(112,199)</b>	<b>0</b>	<b>(112,199)</b>	<b>919,016</b>	<b>0</b>	<b>919,016</b>
38	<b>Net Income before Taxes and Extraordinary Items</b>	<b>1,490,848</b>	<b>0</b>	<b>1,490,848</b>	<b>519,838</b>	<b>0</b>	<b>519,838</b>
39	Taxation	29,088		29,088			0
40	<b>Net Income after Taxation</b>	<b>1,461,760</b>	<b>0</b>	<b>1,461,760</b>	<b>519,838</b>	<b>0</b>	<b>519,838</b>
41	Extraordinary Items	0		0			0
42	<b>Net Income</b>	<b>1,461,760</b>	<b>0</b>	<b>1,461,760</b>	<b>519,838</b>	<b>0</b>	<b>519,838</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>	2,101,036	252,416,513	254,517,549	2,448,862	183,919,910	186,368,772
1.1	Acceptances and Endorsements			0			0
1.2	Guarantees Given	2,101,036	5,540,787	7,641,823	2,448,862	112,415	2,561,277
1.3	Guarantees Received			0			0
1.4	Pledged Assets Given			0			0
1.5	Pledged Assets Received	0	246,875,726	246,875,726		183,807,495	183,807,495
1.6	Other Contingent Liabilities			0			0
2	<b>Legally Binding Obligations</b>	188,651	0	188,651	8,916	0	8,916
2.1	Funding Commitments of the Bank	188,651		188,651	8,916		8,916
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>	2,289,687	252,416,513	254,706,200	2,457,778	183,919,910	186,377,688

## Economic Ratios

	Reporting Period	Respective period of the previous year
<b>CAPITAL</b>		
1 Tier 1 Capital Ratio $\geq$ 7.2%	27.64%	16.15%
2 Regulatory Capital Ratio $\geq$ 10.8%	30.27%	18.14%
3 Risk Weighted Assets/Total Assets	47.44%	50.50%
4 Cash Dividend/Net Income	0.00%	0.00%
<b>Income</b>		
5 Total Interest Income / Average Annual Assets	6.81%	8.85%
6 Total Interest Expense / Average Annual Assets	3.28%	4.03%
7 Earnings from Operations / Average Annual Assets	1.39%	2.00%
8 Net Interest Margin	3.53%	4.82%
9 Return on Average Assets (ROA)	1.33%	0.83%
10 Return on Average Equity (ROE)	9.22%	8.34%
<b>ASSET QUALITY</b>		
11 Non Performed Loans / Total Loans	1.43%	0.02%
12 LLR/Total Loans	2.49%	2.01%
13 FX Loans/Total Loans	86.98%	93.78%
14 FX Assets/Total Assets	81.22%	89.90%
15 Loan Growth-YTD	9.86%	65.50%
<b>LIQUIDITY</b>		
16 Liquid Assets/Total Assets	22.06%	14.23%
17 FX Liabilities/Total Liabilities	95.53%	98.86%
18 Current & Demand Deposits/Total Assets	5.79%	3.91%

## Information about Supervisory Board, Directorate and Shareholders

<b>Members of Supervisory Board</b>		
1	Suat Ince	
2	Yalçın Sezen	
3	Hakan Aran	
4	İlhami Koç	
5	Yılmaz Ertürk	
6	Murat Bilgiç	
7	Yavuz Ergin	
<b>Members of Board of Directors</b>		
1	Ozan Gür	
2	Ömer Karakuş	
3	Murat Bilgiç	
<b>List of Shareholders owning 1% and more of issued capital, indicating Shares</b>		
1	JSC Turkey Is Bank	100.00%
<b>List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares</b>		
1	Türkiye İş Bankası A.Ş. Employees' Pension Fund	40.15%
2	Turkey Republican People's Party	28.09%