

Balance Sheet

in GEL

| N | ASSETS | Reporting Period | | | Respective period of the previous year | | |
|-----|--|-------------------|--------------------|--------------------|--|--------------------|--------------------|
| | | GEL | FX | Total | GEL | FX | Total |
| 1 | Cash | 1,301,584 | 3,589,196 | 4,890,780 | 889,422 | 1,739,118 | 2,628,540 |
| 2 | Due from NBG | 508,696 | 42,152,829 | 42,661,525 | 491,361 | 29,000,122 | 29,491,484 |
| 3 | Due from Banks | 1,200,124 | 68,820,506 | 70,020,630 | 19,009,300 | 15,648,799 | 34,658,100 |
| 4 | Dealing Securities | - | - | - | 0 | 0 | 0 |
| 5 | Investment Securities | 1,002,101 | - | 1,002,101 | 0 | 0 | 0 |
| 6.1 | Loans | 35,977,979 | 154,559,483 | 190,537,462 | 12,461,658 | 138,352,395 | 150,814,054 |
| 6.2 | Less: Loan Loss Reserves | (2,826,243) | (3,505,245) | (6,331,488) | (268,784) | (2,811,886) | (3,080,669) |
| 6 | Net Loans | 33,151,736 | 151,054,238 | 184,205,974 | 12,192,875 | 135,540,510 | 147,733,385 |
| 7 | Accrued Interest and Dividends Receivable | 333,886 | 2,899,443 | 3,233,329 | 90,351 | 612,108 | 702,459 |
| 8 | Other Real Estate Owned & Repossessed Assets | - | X | - | 0 | X | 0 |
| 9 | Equity Investments | - | - | - | 0 | 0 | 0 |
| 10 | Fixed Assets and Intangible Assets | 2,366,015 | X | 2,366,015 | 2,891,776 | X | 2,891,776 |
| 11 | Other Assets | 2,776,440 | 1,322,617 | 4,099,057 | 1,487,938 | 87,618 | 1,575,556 |
| 12 | TOTAL ASSETS | 42,640,582 | 269,838,829 | 312,479,411 | 37,053,024 | 182,628,275 | 219,681,299 |
| | LIABILITIES | | | | | | |
| 13 | Due to Banks | - | 147,788,076 | 147,788,076 | 0 | 122,420,747 | 122,420,747 |
| 14 | Current (Accounts) Deposits | 4,124,975 | 18,441,434 | 22,566,409 | 2,311,167 | 15,650,249 | 17,961,417 |
| 15 | Demand Deposits | - | - | - | 0 | 0 | 0 |
| 16 | Time Deposits | 1,822,000 | 64,306,120 | 66,128,120 | 115,029 | 45,603,668 | 45,718,697 |
| 17 | Own Debt Securities | - | - | - | - | - | 0 |
| 18 | Borrowings | - | - | - | 0 | 0 | 0 |
| 19 | Accrued Interest and Dividends Payable | 4,184 | 3,560,783 | 3,564,967 | 1,026 | 692,227 | 693,253 |
| 20 | Other Liabilities | 2,321,827 | 235,898 | 2,557,724 | 958,751 | 34,769 | 993,521 |
| 21 | Subordinated Debentures | - | 39,123,200 | 39,123,200 | 0 | 0 | 0 |
| 22 | Total Liabilities | 8,272,986 | 273,455,510 | 281,728,496 | 3,385,974 | 184,401,661 | 187,787,635 |
| | EQUITY CAPITAL | | | | | | |
| 23 | Common Stock | 30,000,000 | X | 30,000,000 | 30,000,000 | X | 30,000,000 |
| 24 | Preferred Stock | - | X | - | 0 | X | 0 |
| 25 | Less: Repurchased Shares | - | X | - | 0 | X | 0 |
| 26 | Share Premium | - | X | - | 0 | X | 0 |
| 27 | General Reserves | - | X | - | 0 | X | 0 |
| 28 | Retained Earnings | 750,914 | X | 750,914 | 1,893,664 | X | 1,893,664 |
| 29 | Asset Revaluation Reserves | - | X | - | 0 | X | 0 |
| 30 | Total Equity Capital | 30,750,914 | X | 30,750,914 | 31,893,664 | X | 31,893,664 |
| 31 | TOTAL LIABILITIES AND EQUITY CAPITAL | 39,023,900 | 273,455,510 | 312,479,411 | 35,279,639 | 184,401,661 | 219,681,300 |

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

Income Statement

in GEL

| N | | Reporting Period | | | Respective period of the previous year | | |
|------|---|--------------------|------------------|--------------------|--|----------|--------------------|
| | | GEL | FX | Total | GEL | FX | Total |
| | Interest Income | | | | | | |
| 1 | Interest Income from Bank's "Nostro" and Deposit Accounts | 187,393 | 0 | 187,393 | 458,846 | 0 | 458,846 |
| 2 | Interest Income from Loans | 378,399 | 4,146,594 | 4,524,992 | 3,410,134 | 0 | 3,410,134 |
| 2.1 | from the Interbank Loans | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.2 | from the Retail or Service Sector Loans | 306,878 | 3,488,228 | 3,795,107 | 2,535,580 | 0 | 2,535,580 |
| 2.3 | from the Energy Sector Loans | - | - | 0 | - | - | 0 |
| 2.4 | from the Agriculture and Forestry Sector Loans | - | - | 0 | 78,358 | - | 78,358 |
| 2.5 | from the Construction Sector Loans | - | - | 0 | - | - | 0 |
| 2.6 | from the Mining and Mineral Processing Sector Loans | - | - | 0 | - | - | 0 |
| 2.7 | from the Transportation or Communications Sector Loans | - | - | 0 | - | - | 0 |
| 2.8 | from Individuals Loans | 71,520 | 658,365 | 729,885 | 796,196 | 0 | 796,196 |
| 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 | 16,644 | 0 | 16,644 | 0 | 0 | 0 |
| 5 | Other Interest Income | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 | Total Interest Income | 582,436 | 4,146,594 | 4,729,029 | 3,868,980 | 0 | 3,868,980 |
| | Interest Expense | | | | | | |
| 7 | Interest Paid on Demand Deposits | 3,145 | 0 | 3,145 | 8,132 | 0 | 8,132 |
| 8 | Interest Paid on Time Deposits | 3,506 | 479,202 | 482,708 | 666,321 | 0 | 666,321 |
| 9 | Interest Paid on Banks Deposits | 0 | 1,628,976 | 1,628,976 | 379,450 | 0 | 379,450 |
| 10 | Interest Paid on Own Debt Securities | 341 | - | 341 | 0 | - | 0 |
| 11 | Interest Paid on Other Borrowings | 0 | 706,499 | 706,499 | 904,627 | 0 | 904,627 |
| 12 | Other Interest Expenses | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | Total Interest Expense | 6,991 | 2,814,677 | 2,821,669 | 1,958,531 | 0 | 1,958,531 |
| 14 | Net Interest Income | 575,444 | 1,331,916 | 1,907,360 | 1,910,450 | 0 | 1,910,450 |
| | Non-Interest Income | | | | | | |
| 15 | Net Fee and Commission Income | (19,855) | 0 | (19,855) | 16,845 | 0 | 16,845 |
| 15.1 | Fee and Commission Income | 212,262 | 0 | 212,262 | 205,864 | 0 | 205,864 |
| 15.2 | Fee and Commission Expense | 232,116 | 0 | 232,116 | 189,019 | 0 | 189,019 |
| 16 | Dividend Income | 0 | 0 | 0 | 0 | 0 | 0 |
| 17 | Gain (Loss) from Dealing Securities | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 | Gain (Loss) from Investment Securities | 0 | 0 | 0 | 0 | 0 | 0 |
| 19 | Gain (Loss) from Foreign Exchange Trading | 154,581 | 0 | 154,581 | 178,380 | 0 | 178,380 |
| 20 | Gain (Loss) from Foreign Exchange Translation | (58,990) | 0 | (58,990) | (43,844) | 0 | (43,844) |
| 21 | Gain (Loss) on Sales of Fixed Assets | 0 | 0 | 0 | 0 | 0 | 0 |
| 22 | Non-Interest Income from other Banking Operations | 88,490 | 0 | 88,490 | 81,400 | 0 | 81,400 |
| 23 | Other Non-Interest Income | 0 | 0 | 0 | 600 | 0 | 600 |
| 24 | Total Non-Interest Income | 164,227 | 0 | 164,227 | 233,381 | 0 | 233,381 |
| | Non-Interest Expenses | | | | | | |
| 25 | Non-Interest Expenses from other Banking Operations | 0 | 0 | 0 | 0 | 0 | 0 |
| 26 | Bank Development, Consultation and Marketing Expenses | 73,730 | 0 | 73,730 | 93,734 | 0 | 93,734 |
| 27 | Personnel Expenses | 1,105,657 | 0 | 1,105,657 | 1,040,727 | 0 | 1,040,727 |
| 28 | Operating Costs of Fixed Assets | 3,289 | 0 | 3,289 | 2,892 | 0 | 2,892 |
| 29 | Depreciation Expense | 171,205 | 0 | 171,205 | 163,048 | 0 | 163,048 |
| 30 | Other Non-Interest Expenses | 482,774 | 0 | 482,774 | 310,641 | 0 | 310,641 |
| 31 | Total Non-Interest Expenses | 1,836,655 | 0 | 1,836,655 | 1,611,042 | 0 | 1,611,042 |
| 32 | Net Non-Interest Income | (1,672,428) | 0 | (1,672,428) | (1,377,661) | 0 | (1,377,661) |
| 33 | Net Income before Provisions | (1,096,984) | 1,331,916 | 234,932 | 532,789 | 0 | 532,789 |
| 34 | Loan Loss Reserve | 416,446 | X | 416,446 | (1,075,868) | X | (1,075,868) |
| 35 | Provision for Possible Losses on Investments and Securities | 0 | X | 0 | 0 | X | 0 |
| 36 | Provision for Possible Losses on Other Assets | 14,115 | X | 14,115 | 76,796 | X | 76,796 |
| 37 | Total Provisions for Possible Losses | 430,560 | 0 | 430,560 | (999,072) | 0 | (999,072) |
| 38 | Net Income before Taxes and Extraordinary Items | (1,527,545) | 1,331,916 | (195,629) | 1,531,861 | 0 | 1,531,861 |
| 39 | Taxation | 102,722 | 0 | 102,722 | 23,270 | 0 | 23,270 |
| 40 | Net Income after Taxation | (1,630,267) | 1,331,916 | (298,351) | 1,508,591 | 0 | 1,508,591 |
| 41 | Extraordinary Items | 0 | 0 | 0 | 0 | 0 | 0 |
| 42 | Net Income | (1,630,267) | 1,331,916 | (298,351) | 1,508,591 | 0 | 1,508,591 |

Off Balance Sheet Items *

in lari

| N | | Reporting Period | | | Respective period of the previous year | | |
|---------|---|-------------------|--------------------|--------------------|--|--------------------|--------------------|
| | | GEL | FX | Total | GEL | FX | Total |
| 1 | Contingent Liabilities | 22,787,970 | 756,244,612 | 779,032,582 | 2,872,602 | 111,375 | 2,983,977 |
| 1.1 | Acceptances and Endorsements | | | 0 | | | |
| 1.2 | Guarantees Given | 951,200 | 9,478,407 | 10,429,607 | 2,872,602 | 111,375 | 2,983,977 |
| 1.3 | Guarantees Received ** | 585,360 | 122,844,330 | 123,429,690 | | | |
| 1.3.1 | <i>Surety, joint liability</i> | | 119,471,310 | 119,471,310 | | | |
| 1.3.2 | <i>Guarantee</i> | 585,360 | 3,373,020 | 3,958,380 | | | |
| 1.4 | Pledged Assets Given | | | 0 | | | |
| 1.5 | Pledged Assets Received ** | 21,251,410 | 623,921,875 | 645,173,285 | 0 | 254,896,791 | 254,896,791 |
| 1.5.1 | Cash | 32,000 | 112,873,713 | 112,905,713 | | | |
| 1.5.2 | Precious metals and stones | | | 0 | | | |
| 1.5.3 | Real Estate: | 0 | 401,151,615 | 401,151,615 | | | |
| 1.5.3.1 | <i>Residential Property</i> | | 17,378,380 | 17,378,380 | | | |
| 1.5.3.2 | <i>Commercial Property</i> | | 353,416,332 | 353,416,332 | | | |
| 1.5.3.3 | <i>Complex Real Estate</i> | | 1,624,836 | 1,624,836 | | | |
| 1.5.3.4 | <i>Land Parcel</i> | | 28,645,394 | 28,645,394 | | | |
| 1.5.3.5 | <i>Other</i> | | 86,674 | 86,674 | | | |
| 1.5.4 | Movable Property | | 600,136 | 600,136 | | | |
| 1.5.5 | Shares Pledged | 10,124,400 | 95,991,593 | 106,115,993 | | | |
| 1.5.6 | Securities | | 0 | 0 | | | |
| 1.5.7 | Other | 11,095,010 | 13,304,817 | 24,399,827 | | | |
| 1.6 | Other Contingent Liabilities | | | 0 | | | |
| 2 | Legally Binding Obligations | 203,178 | 26,606 | 229,784 | 37,741 | 0 | 37,741 |
| 2.1 | Funding Commitments of the Bank | 203,178 | 26,606 | 229,784 | 37,741 | 0 | 37,741 |
| 2.2 | Funding Commitments of other Parties | | | 0 | | | |
| 2.3 | Commitments to Purchase Investment Securities | | | 0 | | | |
| 2.4 | Commitments to Sell Investment Securities | | | 0 | | | |
| 2.5 | Foreign Exchange Operations | | | 0 | | | |
| 2.6 | Forward Foreign Exchange Contracts | | | 0 | | | |
| 2.7 | Other Commitments | | | 0 | | | |
| 3 | Other Liabilities | 0 | 0 | 0 | | | |
| 3.1 | Obligation Of the Issuer (endorser) to the Bank | | | 0 | | | |
| 3.2 | Clients' Liabilities | | | 0 | | | |
| 3.3 | Third Parties' Clients' Liability to the Bank | | | 0 | | | |
| 4 | Items to be Held in Safekeeping | 0 | 0 | 0 | | | |
| 4.1 | Precious Metals | | | 0 | | | |
| 4.2 | Securities | | | 0 | | | |
| 4.3 | Other Items | | | 0 | | | |
| 5 | Interest Rate Contracts | 0 | 0 | 0 | | | |
| 5.1 | Notional Value of Interest Rate Swaps | | | 0 | | | |
| 5.2 | Forward Contracts on Financial Instruments | | | 0 | | | |
| 5.3 | Futures Contracts on Financial Instruments | | | 0 | | | |
| 5.4 | Options | | | 0 | | | |
| 6 | Contracts on Commodities and Shareholders Capital | 0 | 0 | 0 | | | |
| 6.1 | Notional Value of Swaps | | | 0 | | | |
| 6.2 | Forward Contracts | | | 0 | | | |
| 6.3 | Futures Contracts | | | 0 | | | |
| 6.4 | Options | | | 0 | | | |
| 7 | Unsettled Documents | 0 | 0 | 0 | | | |
| 7.1 | Accounting Documents not Paid in due Time by Reason of Client | | | 0 | | | |
| 7.2 | Accounting Documents not Paid in due Time by Reason of Bank | | | 0 | | | |
| 7.3 | Unissued Capital | | | 0 | | | |
| 8 | Written Off Loans | 15,292 | 2,026,253 | 2,041,544 | | | |
| 8.1 | Unpaid Interest on Loans up to 31.12.2000 | | | 0 | | | |
| 8.2 | Unpaid Interest on Loans from to 01.01.2001 | 15,292 | 2,026,253 | 2,041,544 | | | |
| 8.3 | Problem Loans Written off up to 31.12.2000 | | | 0 | | | |
| 8.4 | Problem Loans Written off up to 01.01.2001 | | | 0 | | | |
| 8.5 | Other Written Off Assets | | | 0 | | | |
| 9 | Other Valuables and Documents | 0 | 0 | 0 | | | |
| 9.1 | Undistributed value parcels | | | 0 | | | |
| 9.2 | Small value inventory | | | 0 | | | |
| 9.3 | Strict reporting forms | | | 0 | | | |
| 9.4 | Payment of Special Lottery | | | 0 | | | |
| 10 | Total | 23,006,440 | 758,297,471 | 781,303,910 | 2,910,343 | 255,008,166 | 257,918,509 |

* Non-audited data presented in accordance of the regulations of NBS

** Calculation and submission procedure of "Guarantees Received" (1.3) and "Pledged Assets Received" (1.5) has changed

Economic Ratios

| | Reporting Period | Respective period of the previous year |
|----------------------|--|--|
| CAPITAL | | |
| 1 | Tier I Capital Ratio \geq 7.2% | 19.03% 34.69% |
| 2 | Regulatory Capital Ratio \geq 10.8% | 29.65% 37.72% |
| 3 | Risk Weighted Assets/Total Assets | 51.52% 39.19% |
| 4 | Cash Dividend/Net Income | |
| Income | | |
| 5 | Total Interest Income / Average Annual Assets | 6.06% 6.81% |
| 6 | Total Interest Expense / Average Annual Assets | 3.62% 3.45% |
| 7 | Earnings from Operations / Average Annual Assets | 0.38% 1.02% |
| 8 | Net Interest Margin | 2.44% 3.36% |
| 9 | Return on Average Assets (ROA) | -0.38% 2.66% |
| 10 | Return on Average Equity (ROE) | -3.89% 19.22% |
| ASSET QUALITY | | |
| 11 | Non Performed Loans / Total Loans | 1.67% 0.08% |
| 12 | LLR/Total Loans | 3.32% 2.04% |
| 13 | FX Loans/Total Loans | 81.12% 91.74% |
| 14 | FX Assets/Total Assets | 86.35% 83.13% |
| 15 | Loan Growth-YTD | 7.13% 3.27% |
| LIQUIDITY | | |
| 16 | Liquid Assets/Total Assets | 30.12% 24.11% |
| 17 | FX Liabilities/Total Liabilities | 97.06% 98.20% |
| 18 | Current & Demand Deposits/Total Assets | 7.22% 8.18% |

Information about Supervisory Board, Directorate and Shareholders

| Members of Supervisory Board | |
|---|---|
| 1 | Murat Bilgiç |
| 2 | Nevzat Burak Seyrek |
| 3 | Can Yücel |
| 4 | Kemal Şahin |
| 5 | Ahmet Naci Narşap |
| 6 | Cem Kayan |
| 7 | Yavuz Ergin |
| | |
| | |
| Members of Board of Directors | |
| 1 | Ozan Gür |
| 2 | Mehmet Ihsan Akhun |
| 3 | Ahmet Naci Narşap |
| | |
| List of Shareholders owning 1% and more of issued capital, indicating Shares | |
| 1 | Turkey Is Bank 100.00% |
| | |
| List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares | |
| 1 | Türkiye İş Bankası A.Ş., Employees' Pension Fund 40.15% |
| 2 | Turkey Republican People's Party 28.09% |