

Bank: "VTB Bank (Georgia)", JSC

Date: 30/09/10

Table N1

Balance Sheet

Lari

N	ASSETS	Financial Period			Previous Period		
		Lari	Foreign currency	Total	Lari	Foreign currency	Total
1	Cash	9,935,595	8,000,759	17,936,354	12,041,896	8,093,352	20,135,248
2	Due from NBG	17,791,228	10,676,367	28,467,595	15,063,172	3,829,097	18,892,269
3	Due from Banks	5,426,027	25,333,545	30,759,572	547,213	13,808,304	14,355,517
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	11,128,289	0	11,128,289	1,491,250	0	1,491,250
6.1	Loans	55,452,804	172,728,151	228,180,955	50,954,901	260,711,795	311,666,696
6.2	Less: Loan Loss Reserves	(1,861,728)	(17,852,288)	(19,714,016)	(5,440,849)	(30,775,647)	(36,216,496)
6	Net Loans	53,591,076	154,875,863	208,466,938	45,514,052	229,936,148	275,450,200
7	Accrued Interest and Dividends Receivable	664,696	2,138,533	2,803,229	614,684	3,321,635	3,936,319
8	Other Real Estate Owned & Repossessed Assets	12,345,658	X	12,345,658	1,193,711	X	1,193,711
9	Equity Investments	94,200	0	94,200	317,996	0	317,996
10	Fixed Assets and Intangible Assets	28,074,925	X	28,074,925	26,224,681	X	26,224,681
11	Other Assets	9,533,408	3,750,862	13,284,270	8,366,265	1,104,320	9,470,585
12	TOTAL ASSETS	148,585,102	204,775,929	353,361,031	111,374,920	260,092,856	371,467,776
	LIABILITIES						
13	Due to Banks	276,269	10,224,708	10,500,977	217,959	76,654,723	76,872,682
14	Current (Accounts) Deposits	48,697,753	40,146,856	88,844,609	36,837,732	21,479,243	58,316,975
15	Demand Deposits	9,727,223	10,287,377	20,014,600	8,443,761	8,896,788	17,340,549
16	Time Deposits	7,775,404	63,937,643	71,713,047	3,354,875	46,732,282	50,087,157
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	0	64,667,206	64,667,206	0	107,193,473	107,193,473
19	Accrued Interest and Dividends Payable	1,165,185	3,824,437	4,989,622	639,026	3,327,502	3,966,528
20	Other Liabilities	3,779,901	3,424,578	7,204,479	2,428,329	2,961,156	5,389,485
21	Subordinated Debentures	0	21,676,800	21,676,800	0	20,125,200	20,125,200
22	Total Liabilities	71,421,735	218,189,605	289,611,340	51,921,682	287,370,367	339,292,050
	SHAREHOLDERS' EQUITY						
23	Common Stock	142,551,435	X	142,551,435	102,104,126	X	102,104,126
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	0	X	0
28	Retained Earnings	(80,556,990)	X	(80,556,990)	(71,308,705)	X	(71,308,705)
29	Asset Revaluation Reserves	1,755,246	X	1,755,246	1,380,305	X	1,380,305
30	Total Shareholders' Equity	63,749,691	X	63,749,691	32,175,726	X	32,175,726
31	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	135,171,426	218,189,605	353,361,031	84,097,408	287,370,367	371,467,776

Financial Director

Chief Accountant



E. Narozhnaya

M. Jijavadze

Income Statement

Lari

N		Financial Period			Previous Period		
		Lari	Foreign currency	Total	Lari	Foreign currency	Total
	Interest Income						
1	Interest Income from Bank's "Nostro" and Deposit Accounts	638,432	78,943	717,375	36,099	100,266	136,365
2	Interest Income from Loans	8,414,128	29,352,029	37,766,157	9,869,603	26,083,129	35,952,732
2.1	from the Interbank Loans	0	0	0	0	0	0
2.2	from the Retail or Service Sector Loans	1,110,719	7,052,010	8,162,729	788,945	2,503,188	3,292,133
2.3	from the Energy Sector Loans	405,708	2,625,563	3,031,271	3,317	3,748,491	3,751,808
2.4	from the Agriculture and Forestry Sector Loans	18,734	161,264	179,999	88,062	263,425	351,487
2.5	from the Construction Sector Loans	243,551	5,316,580	5,560,132	359,817	(764)	359,053
2.6	from the Mining and Mineral Processing Sector Loans	38,028	1,230,829	1,268,857	41,366	(43,834)	(2,468)
2.7	from the Transportation or Communications Sector Loans	39,666	146,550	186,216	17,503	76,992	94,495
2.8	from Individuals Loans	6,259,760	5,540,777	11,800,537	7,906,287	8,018,285	15,924,572
2.9	from Other Sectors Loans	297,962	7,278,455	7,576,417	664,305	11,517,346	12,181,652
3	Interest and Discount Income from Securities	792,476	0	792,476	6,409	0	6,409
4	Other Interest Income	0	11,212	11,212	0	100,324	100,324
5	Total Interest Income	9,845,036	29,442,184	39,287,220	9,912,111	26,283,719	36,195,830
	Interest Expense						
6	Interest Paid on Demand Deposits	3,332,721	1,553,253	4,885,974	1,591,469	553,637	2,145,106
7	Interest Paid on Time Deposits	339,130	5,043,210	5,382,340	242,021	5,952,615	6,194,636
8	Interest Paid on Banks Deposits	19,511	5,396,250	5,415,761	97,530	7,665,437	7,762,967
9	Interest Paid on Own Debt Securities	0	0	0	0	0	0
10	Interest Paid on Other Borrowings	7,482	5,374,071	5,381,553	6,375	8,117,534	8,123,909
11	Other Interest Expenses	27,181	2,594	29,775	35,204	24,045	59,249
12	Total Interest Expense	3,726,025	17,369,378	21,095,403	1,972,599	22,313,268	24,285,867
13	Net Interest Income	6,119,011	12,072,806	18,191,817	7,939,512	3,970,451	11,909,963
	Non-Interest Income						
14	Net Fee and Commission Income	1,834,122	1,236,976	3,071,098	1,359,124	1,218,815	2,577,939
14.1	Fee and Commission Income	2,316,747	1,735,956	4,052,703	1,723,589	1,727,365	3,450,954
14.2	Fee and Commission Expense	482,625	498,980	981,605	364,465	508,550	873,015
15	Dividend Income	0	0	0	42,313	0	42,313
16	Gain (Loss) from Dealing Securities	0	0	0	0	0	0
17	Gain (Loss) from Investment Securities	0	0	0	0	0	0
18	Gain (Loss) from Foreign Exchange Trading	5,583,951	0	5,583,951	2,707,360	0	2,707,360
19	Gain (Loss) from Foreign Exchange Translation	(371,565)	0	(371,565)	74,984	0	74,984
20	Gain (Loss) on Sales of Fixed Assets	(5,887)	0	(5,887)	(596,684)	0	(596,684)
21	Non-Interest Income from other Banking Operations	26,533	0	26,533	0	30,417	30,417
22	Other Non-Interest Income	1,398,773	1,141,275	2,540,048	828,552	1,378,548	2,207,100
23	Total Non-Interest Income	8,465,927	2,378,251	10,844,178	4,415,649	2,627,780	7,043,429
	Non-Interest Expenses						
24	Non-Interest Expenses from other Banking Operations	340,890	0	340,890	425,214	0	425,214
25	Bank Development, Consultation and Marketing Expenses	1,290,139	118,698	1,408,837	1,479,932	90,095	1,570,027
26	Personnel Expenses	12,533,067	0	12,533,067	12,492,049	0	12,492,049
27	Operating Costs of Fixed Assets	218,008	0	218,008	288,156	0	288,156
28	Depreciation Expense	1,657,852	0	1,657,852	1,981,762	0	1,981,762
29	Other Non-Interest Expenses	2,778,180	317,425	3,095,605	1,839,003	325,692	2,164,695
30	Total Non-Interest Expenses	18,818,136	436,123	19,254,259	18,506,116	415,787	18,921,903
31	Net Non-Interest Income	(10,352,209)	1,942,128	(8,410,081)	(14,090,467)	2,211,993	(11,878,474)
32	Net Income before Provisions	(4,233,198)	14,014,934	9,781,736	(6,150,955)	6,182,444	31,489

33	Provision for Possible Loan Losses	16,756,651	X	16,756,651	12,903,562	X	12,903,562
34	Provision for Possible Losses on Investments and Securities	8,500	X	8,500	0	X	0
35	Provision for Possible Losses on Other Assets	1,689,419	X	1,689,419	209,326	X	209,326
36	Total Provisions for Possible Losses	18,454,570	0	18,454,570	13,112,888	0	13,112,888
37	Net Income before Taxes and Extraordinary Items	(22,687,768)	14,014,934	(8,672,834)	(19,263,843)	6,182,444	(13,081,399)
38	Taxation	(938,589)	0	(938,589)	(529,873)	0	(529,873)
39	Net Income after Taxation	(21,749,179)	14,014,934	(7,734,245)	(18,733,970)	6,182,444	(12,551,526)
40	Extraordinary Items	0		0	0		0
41	Net Income	(21,749,179)	14,014,934	(7,734,245)	(18,733,970)	6,182,444	(12,551,526)

Financial Director

Chief Accountant



E. Narozhnaya

M. Jjavadze

Off Balance Sheet Items

N		Financial Period			Previous Period		
		Lari	Foreign currency	Total	Lari	Foreign currency	Total
1	Conditional Obligations	2,230,778,249	645,016,556	2,875,794,805	1,060,485,853	362,334,566	1,422,820,419
1.1	Acceptances and Endorsements	0	0	0	0	0	0
1.2	Guarantees Given	14,212,297	1,448,451	15,660,748	4,460,674	1,627,658	6,088,332
1.3	Guarantees Received	2,097,481,752	108,384,000	2,205,865,752	626,153,767	11,087,671	637,241,438
1.4	Pledged Assets Given	0	0	0	0	0	0
1.5	Pledged Assets Received	119,084,200	535,184,105	654,268,305	429,871,412	347,530,885	777,402,297
1.6	Other Contingent Liabilities	0	0	0	0	2,088,352	2,088,352
2	Legally Binding Obligations	4,604,220	13,095,774	17,699,995	1,877,206	8,667,887	10,545,093
2.1	Funding Commitments of the Bank	4,604,220	5,826,520	10,430,740	1,877,206	8,658,193	10,535,399
2.2	Funding Commitments of other Parties	0	0	0	0	0	0
2.3	Commitments to Purchase Investment Securities	0	10,359	10,359	0	9,694	9,694
2.4	Commitments to Sell Investment Securities	0	11,815	11,815	0	0	0
2.5	Foreign Exchange Operations	0	3,687,750	3,687,750	0	0	0
2.6	Forward Foreign Exchange Contracts	0	3,559,331	3,559,331	0	0	0
2.7	Other Commitments	0	0	0	0	0	0
3	Other Liabilities	14,212,297	1,448,451	15,660,748	4,460,674	1,627,658	6,088,332
3.1	Obligation Of the Issuer (endorser) to the Bank	0	0	0	0	0	0
3.2	Clients' Liabilities	14,212,297	1,448,451	15,660,748	4,460,674	1,627,658	6,088,332
3.3	Third Parties' Clients' Liability to the Bank	0	0	0	0	0	0
4	Items to be Held in Safekeeping	20,316	199,658	219,974	21,871	176,469	198,340
4.1	Precious Metals	1,907	17,130	19,036	1,715	17,179	18,894
4.2	Securities	17,577	153,826	171,403	17,785	142,815	160,600
4.3	Other Items	833	28,703	29,535	2,371	16,475	18,846
5	Interest Rate Contracts	0	0	0	0	0	0
5.1	Notional Value of Interest Rate Swaps	0	0	0	0	0	0
5.2	Forward Contracts on Financial Instruments	0	0	0	0	0	0
5.3	Futures Contracts on Financial Instruments	0	0	0	0	0	0
5.4	Options	0	0	0	0	0	0
6	Contracts on Commodities and Shareholders Capital	0	0	0	0	0	0
6.1	Notional Value of Swaps	0	0	0	0	0	0
6.2	Forward Contracts	0	0	0	0	0	0
6.3	Futures Contracts	0	0	0	0	0	0
6.4	Options	0	0	0	0	0	0
7	Unsettled Documents	522,324,639	0	522,324,639	593,583,143	0	593,583,143
7.1	Accounting Documents not Paid in due Time by Re	516,801,072	0	516,801,072	593,550,842	0	593,550,842
7.2	Accounting Documents not Paid in due Time by Re	0	0	0	0	0	0
7.3	Unissued Capital	5,523,567	0	5,523,567	32,301	0	32,301
8	Written Off Loans	14,875,328	108,879,150	123,754,478	10,924,366	102,350,520	113,274,886
8.1	Unpaid Interest on Loans up to 31.12.2000	1,747,736	1,473,214	3,220,949	925,728	458,723	1,384,451
8.2	Unpaid Interest on Loans from to 01.01.2001	1,056,645	17,314,399	18,371,044	1,357,404	21,210,279	22,567,683
8.3	Problem Loans Written off up to 31.12.2000	0	0	0	0	0	0
8.4	Problem Loans Written off up to 01.01.2001	10,743,845	90,091,537	100,835,382	7,419,655	80,681,518	88,101,173
8.5	Other Written Off Assets	1,327,103	0	1,327,103	1,221,579	0	1,221,579
9	Other Valuables and Documents	303,486	3,203	306,689	349,812	12,371	362,182
9.1	Undistributed value parcels	0	0	0	0	0	0
9.2	Small value inventory	294,216	0	294,216	331,964	0	331,964
9.3	Strict reporting forms	7,543	3,203	10,746	16,121	12,371	28,492
9.4	Payment of Special Lottery	1,727	0	1,727	1,727	0	1,727
10	Total	2,787,118,535	768,642,793	3,555,761,328	1,671,702,925	475,169,471	2,146,872,395

Financial Director

Chief Accountant



E. Narozhnaya

M. Jijavadze

Bank: "VTB Bank (Georgia)", JSC

Date: 30-Sep-10

Table N4

Economical Activities

		Financial Period	Previous Period
	Equity		
1	Tier 1 Capital Ratio \geq 8%	20.87%	14.03%
2	Regulatory Capital Ratio \geq 12%	26.13%	17.89%
3	Risk Weighted Assets / Total Assets	93.75%	82.16%
4	Dividends / Net Income		
	Income		
5	Total Interest Income / Average Annual Assets	12.73%	12.24%
6	Total Interest Expense / Average Annual Assets	6.84%	8.22%
7	Operational Result / Average Annual Assets	3.29%	0.19%
8	Net Interest Margin	5.90%	4.03%
9	Return on Assets (ROA)	-2.51%	-4.25%
10	Return on Equity (ROE)	-21.94%	-51.30%
	Quality of Assets		
11	Inactive loans / Total Loans	14.89%	18.24%
12	Loan Loss Reserves / Total Loans	8.64%	11.62%
13	Loans in Foreign Currency / Total Loans	75.70%	83.65%
14	Assets in Foreign Currency / Total Loans	57.95%	70.02%
15	Annual Growth Rate of Total Loans	-21.11%	-13.49%
	Liquidity		
16	Liquid Assets / Total Assets	24.53%	14.39%
17	Liabilities in Foreign Currency / Total Liabilities	75.34%	84.70%
18	Current and Demand Deposits / Total Assets	30.81%	20.37%

Financial Director

Chief Accountant



E. Narozhnaya

M. Jijavadze

Bank: "VTB Bank (Georgia)", JSC

Date: 30-Sep-10

Information about Supervisory Council, Directorate and Shareholders

sheet N5

Members of Supervisory Council		
1	Evgeny Nemerinsky	
2	Olga Gracheva	
3	Grigol Lomidze	
4	Alexander Yashnik	
5	Octavian Costas	
Members of Board of Directors		
1	Archil Kontselidze	
2	Elena Narozhnaya	
3	Niko Chkhetiani	
4	Mamuka Menteshashvili	
5	Valerian Gabunia	
List of Shareholders owning 1% and more of issued capita, indicating Shares		
1	JSC VTB Bank	96.16%
2	LTD "Lakarpa Enterprises Limited"	2.16%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares		
1	Russian Federation	82.22%

Financial Director

Chief Accountant



E. Narozhnaya

M. Jijavadze