

Bank: Basisbank

Date: 30-Sep-11

sheet N1

In GEL

## Balance Sheet

N	ASSETS	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	6,353,074	5,031,327	11,384,401	5,946,278	7,457,643	13,403,922
2	Due from NBG	3,751,729	9,701,105	13,452,834	4,233,886	15,669,089	19,902,975
3	Due from Banks	608,010	6,490,354	7,098,363	4,505	3,879,063	3,883,568
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	19,807,000	0	19,807,000	6,059,523	0	6,059,523
6.1	Loans	19,952,210	58,468,982	78,421,192	20,166,998	47,160,997	67,327,995
6.2	Less: Loan Loss Reserves	(974,200)	(2,779,445)	(3,753,645)	(1,693,376)	(1,749,408)	(3,442,784)
6	Net Loans	18,978,009	55,689,538	74,667,547	18,473,622	45,411,589	63,885,212
7	Accrued Interest and Dividends Receivable	223,758	489,849	713,606	179,072	446,168	625,240
8	Other Real Estate Owned & Repossessed Assets	6,761,660	X	6,761,660	7,777,720	X	7,777,720
9	Equity Investments	2,689,865	0	2,689,865	2,689,865	0	2,689,865
10	Fixed Assets and Intangible Assets	15,724,851	X	15,724,851	12,250,660	X	12,250,660
11	Other Assets	3,697,198	2,213,363	5,910,560	8,737,698	1,174,164	9,911,862
12	<b>TOTAL ASSETS</b>	78,595,152	79,615,534	158,210,686	66,352,829	74,037,717	140,390,545
	<b>LIABILITIES</b>						
13	Due to Banks	17,945	6,469	24,413	89,125	7,033	96,158
14	Current (Accounts) Deposits	23,716,189	15,844,340	39,560,529	22,671,544	15,107,235	37,778,778
15	Demand Deposits	9,922,160	15,540,371	25,462,531	8,952,723	16,433,805	25,386,529
16	Time Deposits	6,164,413	27,531,911	33,696,324	8,596,281	24,922,079	33,518,360
17	Own Debt Securities			0			0
18	Borrowings	9,097,525	18,505,512	27,603,037	97,525	18,008,769	18,106,294
19	Accrued Interest and Dividends Payable	198,700	912,046	1,110,747	246,084	915,023	1,161,107
20	Other Liabilities	2,135,049	1,190,909	3,325,957	1,879,506	798,890	2,678,396
21	Subordinated Debentures	0	3,322,000	3,322,000	0	0	0
22	<b>Total Liabilities</b>	51,251,981	82,853,558	134,105,539	42,532,787	76,192,834	118,725,621
	<b>EQUITY CAPITAL</b>						
23	Common Stock	5,911,765	X	5,911,765	5,911,765	X	5,911,765
24	Preferred Stock	0	X	0	0	X	0
25	Less: Repurchased Shares	0	X	0	0	X	0
26	Share Premium	5,612,353	X	5,612,353	5,612,353	X	5,612,353
27	General Reserves	8,016,980	X	8,016,980	7,936,724	X	7,936,724
28	Retained Earnings	1,757,042	X	1,757,042	(691,056)	X	(691,056)
29	Asset Revaluation Reserves	2,807,008	X	2,807,008	2,895,138	X	2,895,138
30	<b>Total Equity Capital</b>	24,105,148	X	24,105,148	21,664,924	X	21,664,924
31	<b>TOTAL LIABILITIES AND EQUITY CAPITAL</b>	75,357,128	82,853,558	158,210,686	64,197,712	76,192,834	140,390,545

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sheet N2

In GEL

## Income Statement

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	142,371	31,994	174,364	58,561	18,103	76,664
2	Interest Income from Loans	2,703,810	6,793,990	9,497,800	3,275,070	6,405,212	9,680,282
2.1	from the Interbank Loans			0			0
2.2	from the Retail or Service Sector Loans	523,432	2,543,251	3,066,684	596,109	2,153,843	2,749,951
2.3	from the Energy Sector Loans	3,622	13,079	16,700	3,189	4,483	7,672
2.4	from the Agriculture and Forestry Sector Loans	22,710	47,956	70,666	26,640	6,909	33,548
2.5	from the Construction Sector Loans	123,208	273,100	396,308	338,320	430,816	769,136
2.6	from the Mining and Mineral Processing Sector Loans	47,532	358,605	406,136	40,793	433,743	474,535
2.7	from the Transportation or Communications Sector Loans	3,898	83,969	87,867	6,235	277,645	283,880
2.8	from Individuals Loans	1,958,535	3,381,919	5,340,454	2,161,718	3,019,936	5,181,654
2.9	from Other Sectors Loans	20,873	92,112	112,985	102,068	77,838	179,906
3	Penalty Income from loans to customers	121,485	263,796	385,280	0	0	0
4	Interest and Discount Income from Securities	919,380		919,380	331,106		331,106
5	Other Interest Income	134,351	116,821	251,172	188,515	212,833	401,347
6	<b>Total Interest Income</b>	<b>4,021,396</b>	<b>7,206,601</b>	<b>11,227,997</b>	<b>3,853,252</b>	<b>6,636,147</b>	<b>10,489,399</b>
	<b>Interest Expense</b>						
7	Interest Paid on Demand Deposits	950,858	580,622	1,531,480	1,191,373	654,097	1,845,470
8	Interest Paid on Time Deposits	451,946	1,923,921	2,375,867	460,446	1,775,130	2,235,576
9	Interest Paid on Banks Deposits	35,201	53,525	88,726	39,333	656	39,989
10	Interest Paid on Own Debt Securities			0			0
11	Interest Paid on Other Borrowings	434,622	704,788	1,139,411	73,449	636,670	710,119
12	Other Interest Expenses			0			0
13	<b>Total Interest Expense</b>	<b>1,872,628</b>	<b>3,262,856</b>	<b>5,135,484</b>	<b>1,764,601</b>	<b>3,066,554</b>	<b>4,831,155</b>
14	<b>Net Interest Income</b>	<b>2,148,769</b>	<b>3,943,745</b>	<b>6,092,513</b>	<b>2,088,651</b>	<b>3,569,594</b>	<b>5,658,245</b>
	<b>Non-Interest Income</b>						
15	Net Fee and Commission Income	665,832	710,671	1,376,503	444,115	582,174	1,026,289
15.1	Fee and Commission Income	1,218,523	1,258,439	2,476,962	950,590	1,061,783	2,012,373
15.2	Fee and Commission Expense	552,691	547,768	1,100,459	506,475	479,609	986,084
16	Dividend Income			0			0
17	Gain (Loss) from Dealing Securities			0			0
18	Gain (Loss) from Investment Securities	2,332		2,332			0
19	Gain (Loss) from Foreign Exchange Trading	1,421,986		1,421,986	1,285,736		1,285,736
20	Gain (Loss) from Foreign Exchange Translation	(39,811)		(39,811)	(12,231)		(12,231)
21	Gain (Loss) on Sales of Fixed Assets	600,715		600,715	38,638		38,638
22	Non-Interest Income from other Banking Operations	106,561	11,047	117,608	76,448	7,044	83,492
23	Other Non-Interest Income	184,574	200,530	385,104	481,105	376,246	857,351
24	<b>Total Non-Interest Income</b>	<b>2,942,188</b>	<b>922,248</b>	<b>3,864,436</b>	<b>2,313,811</b>	<b>965,464</b>	<b>3,279,274</b>
	<b>Non-Interest Expenses</b>						
25	Non-Interest Expenses from other Banking Operations	288,655	58,482	347,137	430,912	104,399	535,311
26	Bank Development, Consultation and Marketing Expenses	445,348	49,829	495,177	448,247	9,386	457,633
27	Personnel Expenses	3,755,590		3,755,590	3,761,652		3,761,652
28	Operating Costs of Fixed Assets	37,131		37,131	31,279		31,279
29	Depreciation Expense	781,034		781,034	859,604		859,604
30	Other Non-Interest Expenses	1,078,702	36,864	1,115,566	962,261	17,149	979,410
31	<b>Total Non-Interest Expenses</b>	<b>6,386,461</b>	<b>145,175</b>	<b>6,531,636</b>	<b>6,493,956</b>	<b>130,933</b>	<b>6,624,889</b>
32	<b>Net Non-Interest Income</b>	<b>(3,444,273)</b>	<b>777,074</b>	<b>(2,667,200)</b>	<b>(4,180,146)</b>	<b>834,530</b>	<b>(3,345,615)</b>
33	<b>Net Income before Provisions</b>	<b>(1,295,505)</b>	<b>4,720,818</b>	<b>3,425,314</b>	<b>(2,091,494)</b>	<b>4,404,124</b>	<b>2,312,630</b>
34	Loan Loss Reserve	973,722	X	973,722	(1,721,696)	X	(1,721,696)
35	Provision for Possible Losses on Investments and Securities		X	0		X	0
36	Provision for Possible Losses on Other Assets	380,954	X	380,954	1,803,380	X	1,803,380
37	<b>Total Provisions for Possible Losses</b>	<b>1,354,675</b>	<b>0</b>	<b>1,354,675</b>	<b>81,684</b>	<b>0</b>	<b>81,684</b>
38	<b>Net Income before Taxes and Extraordinary Items</b>	<b>(2,650,180)</b>	<b>4,720,818</b>	<b>2,070,638</b>	<b>(2,173,178)</b>	<b>4,404,124</b>	<b>2,230,946</b>
39	Taxation	310,596		310,596	334,642		334,642
40	<b>Net Income after Taxation</b>	<b>(2,960,776)</b>	<b>4,720,818</b>	<b>1,760,042</b>	<b>(2,507,820)</b>	<b>4,404,124</b>	<b>1,896,304</b>
41	Extraordinary Items	(3,000)		(3,000)	(894)		(894)
42	<b>Net Income</b>	<b>(2,963,776)</b>	<b>4,720,818</b>	<b>1,757,042</b>	<b>(2,508,714)</b>	<b>4,404,124</b>	<b>1,895,410</b>

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sheet N3

In GEL

## Off Balance Sheet Items

N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	<b>Conditional Obligations</b>	111,011,327	368,052,832	479,064,159	115,048,757	374,087,250	489,136,007
1.1	Acceptances and Endorsements			0			0
1.2	Guarantees Given	4,421,595	4,290,936	8,712,531	5,207,981	4,530,711	9,738,692
1.3	Guarantees Received	55,671,791	177,904,624	233,576,415	54,207,780	166,619,152	220,826,932
1.4	Pledged Assets Given			0			0
1.5	Pledged Assets Received	50,917,941	185,857,272	236,775,213	55,632,996	202,709,287	258,342,283
1.6	Other Contingent Liabilities	0	0	0		228,100	228,100
2	<b>Legally Binding Obligations</b>	4,937,665	3,381,459	8,319,124	252,424	5,571,245	5,823,669
2.1	Funding Commitments of the Bank	4,937,665	1,448,587	6,386,251	252,424	3,469,173	3,721,597
2.2	Funding Commitments of other Parties	0	1,932,872	1,932,872		2,102,072	2,102,072
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			0
2.6	Forward Foreign Exchange Contracts	0	0	0			0
2.7	Other Commitments	0	0	0			0
3	<b>Other Liabilities</b>	4,421,595	4,290,936	8,712,531	5,207,981	4,758,811	9,966,792
3.1	Obligation Of the Issuer (endorser) to the Bank			0			0
3.2	Clients' Liabilities	4,421,595	4,290,936	8,712,531	5,207,981	4,530,711	9,738,692
3.3	Third Parties' Clients' Liability to the Bank		0	0		228,100	228,100
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			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			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>	201,177,431	0	201,177,431	153,655,340	0	153,655,340
7.1	Accounting Documents not Paid in due Time by Reason of Client	201,177,431	0	201,177,431	153,655,340		153,655,340
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>	2,926,130	1,115,542	4,041,672	2,519,275	1,532,931	4,052,206
8.1	Unpaid Interest on Loans up to 31.12.2000	0	0	0			0
8.2	Unpaid Interest on Loans from to 01.01.2001	273,523	332,677	606,200	301,927	332,356	634,283
8.3	Problem Loans Written off up to 31.12.2000	0	0	0			0
8.4	Problem Loans Written off up to 01.01.2001	2,652,607	782,865	3,435,472	2,217,349	1,200,574	3,417,923
8.5	Other Written Off Assets	0	0	0			0
9	<b>Other Valuables and Documents</b>	46,433	0	46,433	42,625	0	42,625
9.1	Undistributed value parcels			0			0
9.2	Small value inventory			0			0
9.3	Strict reporting forms	46,433	0	46,433	42,625		42,625
9.4	Payment of Special Lottery			0			0
10	<b>Total</b>	324,520,580	376,840,770	701,361,350	276,726,402	385,950,237	662,676,639

**Bank:**

Basisbank

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sheet N4

**Economic Ratios**

		Reporting Period	Respective period of the previous year
	<b>CAPITAL</b>		
1	Tier 1 Capital Ratio $\geq$ 8%	12.58%	13.45%
2	Regulatory Capital Ratio $\geq$ 12%	15.08%	13.88%
3	Risk Weighted Assets/Total Assets	96.95%	87.76%
4	Cash Dividend/Net Income	0.00%	0.00%
	<b>Income</b>		
5	Total Interest Income /Average Annual Assets	10.06%	10.56%
6	Total Interest Expense / Average Annual Assets	4.60%	4.86%
7	Earnings from Operations / Average Annual Assets	2.56%	2.30%
8	Net Interest Margin	5.46%	5.69%
9	Return on Average Assets (ROA)	1.57%	1.91%
10	Return on Average Equity (ROE)	10.08%	11.89%
	<b>ASSET QUALITY</b>		
11	Non Performed Loans / Total Loans	4.91%	3.79%
12	LLR/Total Loans	4.79%	5.11%
13	FX Loans/Total Loans	74.56%	70.05%
14	FX Assets/Total Assets	50.32%	52.74%
15	Loan Growth-YTD	19.32%	16.85%
	<b>LIQUIDITY</b>		
16	Liquid Assets/Total Assets	26.94%	30.58%
17	FX Liabilities/Total Liabilities	61.78%	64.18%
18	Current & Demand Deposits/Total Assets	41.10%	44.99%

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## Information about Supervisory Council, Directorate and Shareholders

sheet N5

<b>Members of Supervisory Council</b>		
1	Taras Nizharadze	
2	Zurab Tsikhistavi	
3	Gia Petriashvili	
4	Zaza Nishnianidze	
5	Murman Ambroladze	
6	Irakli Bokolishvili	
7	Sabina Dziurman	
<b>Members of Board of Directors</b>		
1	David Tsaava	
2	Lia Aslanikashvili	
3	David Kakabadze	
4	Levan Gardaphkhadze	
<b>List of Shareholders owning 1% and more of issued capital, indicating Shares</b>		
1	European Bank for Reconstruction and Development	15.00%
2	Zurab Tsikhistavi	13.92%
3	Eldar Mildiani	9.89%
4	Zaza Nishnianidze	8.51%
5	Murman Ambroladze	6.58%
6	Archil Maziashvili	6.33%
7	Ketevan Soselia	5.62%
8	Taras Nizharadze	4.58%
9	Gia Petriashvili	4.57%
10	George Vachnazde	4.44%
11	Goderdzi Meladze	4.42%
12	Tengiz Maziashvili	4.38%
13	Tamar Tavberidze	3.45%
14	Amiran Ambroladze	1.94%
15	Irakli Bokolishvili	1.48%
16	Konstantine Nizharadze	1.43%
17	Natalia Gogitidze	1.23%
18	Others	2.24%
<b>List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares</b>		
1	European Bank for Reconstruction and Development	15.00%
2	Zurab Tsikhistavi	13.92%
3	Eldar Mildiani	9.89%
4	Zaza Nishnianidze	8.51%
5	Murman Ambroladze	6.58%
6	Archil Maziashvili	6.33%
7	Ketevan Soselia	5.62%