

Bank: Basisbank

Date: 30-Jun-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	4,442,314	6,081,541	10,523,855	4,314,239	7,132,585	11,446,825
2	Due from NBG	3,799,669	12,215,461	16,015,130	4,666,588	11,159,938	15,826,526
3	Due from Banks	14,287	5,295,203	5,309,490	9,665	7,913,407	7,923,072
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	13,873,721	0	13,873,721	5,813,418	0	5,813,418
6.1	Loans	20,496,569	57,297,315	77,793,884	22,754,385	49,455,973	72,210,358
6.2	Less: Loan Loss Reserves	(679,937)	(2,506,572)	(3,186,509)	(1,761,640)	(1,486,158)	(3,247,798)
6	Net Loans	19,816,633	54,790,743	74,607,376	20,992,745	47,969,815	68,962,561
7	Accrued Interest and Dividends Receivable	133,195	459,918	593,113	169,004	505,733	674,737
8	Other Real Estate Owned & Repossessed Assets	6,995,517	X	6,995,517	7,506,013	X	7,506,013
9	Equity Investments	2,689,865	0	2,689,865	2,689,865	0	2,689,865
10	Fixed Assets and Intangible Assets	12,658,505	X	12,658,505	12,050,585	X	12,050,585
11	Other Assets	7,352,159	1,412,135	8,764,294	8,893,562	1,120,088	10,013,650
12	<b>TOTAL ASSETS</b>	71,775,862	80,255,001	152,030,863	67,105,684	75,801,567	142,907,251
	<b>LIABILITIES</b>						
13	Due to Banks	3,968,707	6,540	3,975,247	252,638	7,082	259,720
14	Current (Accounts) Deposits	20,335,354	13,268,197	33,603,551	18,881,080	16,019,949	34,901,029
15	Demand Deposits	11,834,627	15,973,581	27,808,208	9,193,333	15,942,093	25,135,426
16	Time Deposits	4,177,715	28,243,828	32,421,543	5,355,510	26,900,863	32,256,374
17	Own Debt Securities			0			0
18	Borrowings	4,097,525	20,185,118	24,282,643	5,626,275	14,715,199	20,341,474
19	Accrued Interest and Dividends Payable	159,457	881,384	1,040,841	201,804	958,737	1,160,541
20	Other Liabilities	1,168,260	923,616	2,091,875	4,857,405	2,748,552	7,605,956
21	Subordinated Debentures	0	3,333,000	3,333,000	0	0	0
22	<b>Total Liabilities</b>	45,741,644	82,815,263	128,556,908	44,368,045	77,292,475	121,660,520
	<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	1,125,850	X	1,125,850	(1,109,249)	X	(1,109,249)
29	Asset Revaluation Reserves	2,807,008	X	2,807,008	2,895,138	X	2,895,138
30	<b>Total Equity Capital</b>	23,473,955	X	23,473,955	21,246,731	X	21,246,731
31	<b>TOTAL LIABILITIES AND EQUITY CAPITAL</b>	69,215,600	82,815,263	152,030,863	65,614,776	77,292,475	142,907,251

Chief Financial Officer

Lia Aslanikashvili

Bank: Basisbank

Date: 30-Jun-11

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	99,800	20,254	120,053	20,690	11,750	32,440
2	Interest Income from Loans	1,770,643	4,287,016	6,057,659	2,138,464	4,102,730	6,241,195
2.1	from the Interbank Loans			0			0
2.2	from the Retail or Service Sector Loans	368,043	1,595,238	1,963,281	377,162	1,321,918	1,699,080
2.3	from the Energy Sector Loans	2,452	8,994	11,446		2,297	2,297
2.4	from the Agriculture and Forestry Sector Loans	16,186	29,736	45,921	18,262	127	18,389
2.5	from the Construction Sector Loans	103,723	153,273	256,996	135,612	326,169	461,782
2.6	from the Mining and Mineral Processing Sector Loans	21,309	250,361	271,670	30,958	292,346	323,304
2.7	from the Transportation or Communications Sector Loans	2,502	55,092	57,594	4,331	211,276	215,607
2.8	from Individuals Loans	1,252,908	2,164,238	3,417,145	1,472,213	1,896,133	3,368,346
2.9	from Other Sectors Loans	3,522	30,083	33,606	99,926	52,464	152,390
3	Interest and Discount Income from Securities	522,940		522,940	217,880		217,880
4	Other Interest Income	88,242	60,545	148,787	123,025	133,273	256,298
5	<b>Total Interest Income</b>	<b>2,481,625</b>	<b>4,367,814</b>	<b>6,849,439</b>	<b>2,500,059</b>	<b>4,247,754</b>	<b>6,747,813</b>
	<b>Interest Expense</b>						
6	Interest Paid on Demand Deposits	633,537	378,861	1,012,399	896,424	410,917	1,307,341
7	Interest Paid on Time Deposits	301,824	1,248,846	1,550,670	280,699	1,138,171	1,418,870
8	Interest Paid on Banks Deposits	16,794	50,045	66,839	17,478	656	18,134
9	Interest Paid on Own Debt Securities			0			0
10	Interest Paid on Other Borrowings	257,636	429,201	686,836	10,692	394,354	405,045
11	Other Interest Expenses			0			0
12	<b>Total Interest Expense</b>	<b>1,209,791</b>	<b>2,106,953</b>	<b>3,316,744</b>	<b>1,205,292</b>	<b>1,944,098</b>	<b>3,149,389</b>
13	<b>Net Interest Income</b>	<b>1,271,834</b>	<b>2,260,861</b>	<b>3,532,695</b>	<b>1,294,767</b>	<b>2,303,656</b>	<b>3,598,423</b>
	<b>Non-Interest Income</b>						
14	Net Fee and Commission Income	346,908	509,236	856,144	290,884	382,143	673,027
14.1	Fee and Commission Income	713,288	873,724	1,587,011	596,777	683,369	1,280,146
14.2	Fee and Commission Expense	366,380	364,488	730,868	305,893	301,225	607,118
15	Dividend Income			0			0
16	Gain (Loss) from Dealing Securities			0			0
17	Gain (Loss) from Investment Securities	2,163		2,163			0
18	Gain (Loss) from Foreign Exchange Trading	940,612		940,612	848,754		848,754
19	Gain (Loss) from Foreign Exchange Translation	(27,456)		(27,456)	2,596		2,596
20	Gain (Loss) on Sales of Fixed Assets	587,659		587,659	(369)		(369)
21	Non-Interest Income from other Banking Operations	66,266	2,735	69,001	48,181	6,827	55,007
22	Other Non-Interest Income	201,135	248,316	449,451	254,992	204,898	459,890
23	<b>Total Non-Interest Income</b>	<b>2,117,287</b>	<b>760,287</b>	<b>2,877,574</b>	<b>1,445,038</b>	<b>593,868</b>	<b>2,038,906</b>
	<b>Non-Interest Expenses</b>						
24	Non-Interest Expenses from other Banking Operations	202,706	40,168	242,874	281,144	75,982	357,126
25	Bank Development, Consultation and Marketing Expenses	340,687	27,427	368,114	342,248	6,240	348,488
26	Personnel Expenses	2,484,682		2,484,682	2,464,988		2,464,988
27	Operating Costs of Fixed Assets	27,728		27,728	21,638		21,638
28	Depreciation Expense	522,155		522,155	577,004		577,004
29	Other Non-Interest Expenses	667,840	28,885	696,725	696,608		696,608
30	<b>Total Non-Interest Expenses</b>	<b>4,245,798</b>	<b>96,480</b>	<b>4,342,278</b>	<b>4,383,629</b>	<b>82,222</b>	<b>4,465,852</b>
31	<b>Net Non-Interest Income</b>	<b>(2,128,510)</b>	<b>663,807</b>	<b>(1,464,703)</b>	<b>(2,938,591)</b>	<b>511,646</b>	<b>(2,426,946)</b>
32	<b>Net Income before Provisions</b>	<b>(856,677)</b>	<b>2,924,668</b>	<b>2,067,991</b>	<b>(1,643,825)</b>	<b>2,815,302</b>	<b>1,171,477</b>
33	Loan Loss Reserve	667,805	X	667,805	(1,746,677)	X	(1,746,677)
34	Provision for Possible Losses on Investments and Securities		X	0		X	0
35	Provision for Possible Losses on Other Assets	72,127	X	72,127	1,179,788	X	1,179,788
36	<b>Total Provisions for Possible Losses</b>	<b>739,932</b>	<b>0</b>	<b>739,932</b>	<b>(566,888)</b>	<b>0</b>	<b>(566,888)</b>
37	<b>Net Income before Taxes and Extraordinary Items</b>	<b>(1,596,609)</b>	<b>2,924,668</b>	<b>1,328,059</b>	<b>(1,076,936)</b>	<b>2,815,302</b>	<b>1,738,366</b>
38	Taxation	199,209		199,209	260,755		260,755
39	<b>Net Income after Taxation</b>	<b>(1,795,818)</b>	<b>2,924,668</b>	<b>1,128,850</b>	<b>(1,337,691)</b>	<b>2,815,302</b>	<b>1,477,611</b>
40	Extraordinary Items	(3,000)		(3,000)	(394)		(394)
41	<b>Net Income</b>	<b>(1,798,818)</b>	<b>2,924,668</b>	<b>1,125,850</b>	<b>(1,338,085)</b>	<b>2,815,302</b>	<b>1,477,217</b>

Chief Financial Officer

Lia Aslanikashvili

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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>	108,014,455	371,611,920	479,626,376	119,821,220	386,069,912	505,891,132
1.1	Acceptances and Endorsements			0			0
1.2	Guarantees Given	3,049,227	2,120,045	5,169,272	6,145,864	4,725,829	10,871,694
1.3	Guarantees Received	55,535,236	176,549,597	232,084,833	56,820,116	162,256,984	219,077,100
1.4	Pledged Assets Given			0			0
1.5	Pledged Assets Received	49,429,992	192,942,278	242,372,271	56,855,240	218,717,482	275,572,722
1.6	Other Contingent Liabilities			0		369,617	369,617
2	<b>Legally Binding Obligations</b>	1,826,572	4,330,504	6,157,075	342,051	5,451,120	5,793,171
2.1	Funding Commitments of the Bank	1,826,572	2,391,231	4,217,803	342,051	3,305,061	3,647,112
2.2	Funding Commitments of other Parties		1,939,273	1,939,273		2,146,059	2,146,059
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>	3,049,227	2,120,045	5,169,272	6,145,864	5,095,446	11,241,311
3.1	Obligation Of the Issuer (endorser) to the Bank			0			0
3.2	Clients' Liabilities	3,049,227	2,120,045	5,169,272	6,145,864	4,725,829	10,871,694
3.3	Third Parties' Clients' Liability to the Bank			0		369,617	369,617
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>	191,934,141	0	191,934,141	153,891,990	0	153,891,990
7.1	Accounting Documents not Paid in due Time by Reason of Client	191,934,141		191,934,141	153,891,990		153,891,990
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>	3,172,945	1,213,689	4,386,633	2,916,138	1,558,170	4,474,308
8.1	Unpaid Interest on Loans up to 31.12.2000			0			0
8.2	Unpaid Interest on Loans from to 01.01.2001	289,725	396,679	686,404	522,651	308,445	831,096
8.3	Problem Loans Written off up to 31.12.2000			0			0
8.4	Problem Loans Written off up to 01.01.2001	2,883,220	817,009	3,700,229	2,362,995	1,249,724	3,612,719
8.5	Other Written Off Assets			0	30,493		30,493
9	<b>Other Valuables and Documents</b>	40,448	0	40,448	41,497	0	41,497
9.1	Undistributed value parcels			0			0
9.2	Small value inventory			0			0
9.3	Strict reporting forms	40,448		40,448	41,497		41,497
9.4	Payment of Special Lottery			0			0
10	<b>Total</b>	308,037,788	379,276,157	687,313,945	283,158,761	398,174,648	681,333,409

Chief Financial Officer

Lia Aslanikashvili

**Bank:**

Basisbank

**Date:****30-Jun-11**

sheet N4

**Economic Ratios**

		Reporting Period	Respective period of the previous year
	<b>CAPITAL</b>		
1	Tier 1 Capital Ratio $\geq$ 8%	12.84%	12.62%
2	Regulatory Capital Ratio $\geq$ 12%	15.01%	12.79%
3	Risk Weighted Assets/Total Assets	98.84%	92.11%
4	Cash Dividend/Net Income	0.00%	0.00%
	<b>Income</b>		
5	Total Interest Income / Average Annual Assets	9.44%	10.57%
6	Total Interest Expense / Average Annual Assets	4.57%	4.94%
7	Earnings from Operations / Average Annual Assets	2.08%	1.84%
8	Net Interest Margin	4.87%	5.64%
9	Return on Average Assets (ROA)	1.55%	2.31%
10	Return on Average Equity (ROE)	9.83%	13.92%
	<b>ASSET QUALITY</b>		
11	Non Performed Loans / Total Loans	3.38%	3.54%
12	LLR/Total Loans	4.10%	4.50%
13	FX Loans/Total Loans	73.65%	68.49%
14	FX Assets/Total Assets	52.79%	53.04%
15	Loan Growth-YTD	18.37%	25.32%
	<b>LIQUIDITY</b>		
16	Liquid Assets/Total Assets	27.37%	24.38%
17	FX Liabilities/Total Liabilities	64.42%	63.53%
18	Current & Demand Deposits/Total Assets	40.39%	42.01%

Chief Financial Officer

Lia Aslanikashvili

**Bank:** Basisbank  
**Date:** 30-Jun-11

**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%

Chief Financial Officer

Lia Aslanikashvili