

**AS "SMP Bank"**  
**Quarterly Financial Statements**  
**for the period ended March 31, 2014**

Appendix 1  
of the Financial and Capital Market Commission Regulation Nr. 145 of 15.09.2006.

**Balance Sheet**  
as of March 31, 2014  
(Last date of the reporting period)

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Name of the Item	Group; Reported period	Group; Previous financial year *
Cash in Hand and Demand Claims on Central Banks	60256	52443
Demand Claims on Credit Institutions	99017	114003
Trading securities	14	21
Securities designated at fair value through profit or loss	0	0
Investment securities available-for-sale	0	0
Loans and advances to customers	111166	112767
for reference: impairment allowance	7541	7564
Held-to-maturity investments	24316	46864
incl. USA Treasury Bonds	0	29311
incl. Latvian Government Bonds	6938	5492
incl. Lithuanian Government Bonds	3195	2319
incl. Russian Federation corporate entities' Eurobonds	4734	4821
Changes in fair value of portfolio part hedged against percentage risk	0	0
Prepayments and Accrued Income	0	0
Property and equipment	1437	1256
Investment properties	7595	7877
Intangible assets	0	0
Investments in subsidiaries	0	0
Tax receivables	29	58
Other Assets	3774	5022
<b>Total assets</b>	<b>307604</b>	<b>340311</b>
Liabilities to Central Banks	7	23
Demand Liabilities to Credit Institutions	10	17
Held-for-trading financial liabilities	0	0
Financial liabilities at fair value with changes in fair value in net profit or loss	0	0
Financial liabilities at amortised cost	277471	298493
Financial liabilities after transferring of financial assets	0	0
Changes in fair value of portfolio part hedged against percentage risk	0	0
Deferred Income and Accrued Expenses	0	0
Provisions for Liabilities and Charges	163	153
Deferred tax liabilities	51	52
Other liabilities	8620	20964
Total liabilities	286322	319702
Shareholders' equity	21282	20609
<b>Total liabilities and shareholders' equity</b>	<b>307604</b>	<b>340311</b>
Off-Balance-Sheet Items		
Contingent Liabilities	5195	5688
Off-Balance-Sheet Commitments to Customers	4119	4791

\*) audited

**Income Statement**  
as of March 31, 2014  
(Last date of the reporting period)

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Name of the Item	Group; Reported period	Group; Previous financial year appropriate period
Interest income	1,280	1,332
Interest expense	(264)	(323)
Dividend income	-	-
Fee and commission income	1,187	1,265
Fee and commission expense	(239)	(196)
Net profit/(loss) from financial assets and financial liabilities at amortised cost	-	-
Net profit/(loss) from from available-for-sale investments	-	-
Net profit/(loss) from held-for-trading investments	-	-
Net profit/(loss) from financial liabilities at fair value with changes in fair value in net profit or loss	-	-
Changes in fair value in hedge accounting	-	-
Profit/loss on foreign exchange trading and on foreign exchange revaluation	452	618
Profit/ (loss) from derecognising of property, plant and equipment, investment properties and intangible assets	-	-
Other income	138	58
Other expense	(39)	(27)
Administrative expense	(1,689)	(1,456)
Depreciation	(130)	(121)
Allowances for credit losses	23	(240)
Value impairment losses	-	-
<b>Profit before corporate income tax</b>	<b>719</b>	<b>910</b>
Corporate income tax	(46)	(31)
<b>Net profit for the period</b>	<b>673</b>	<b>879</b>

\*) audited

**Bank activity indices**

as of March 31, 2014

(Last date of the reporting period)

Name of the Item	Previous financial year appropriate period (audited)	Previous financial year appropriate period
Return on equity (ROE) (%)	11.10	17.27
Return on assets (ROA) (%)	0.72	1.08

\*) audited

**Consolidated group**

as of March 31, 2014

(Last date of the reporting period)

Nr.	The name of the commercial company	Registration place code, address	Company type *	Portion of a holding in share capital (%)	Portion of voting rights in the company (%)	Motivation for inclusion in the group**
1	AS "SMP Finance"	LV, Rīga, Elizabetes 57	CFI	49	49	MS

\*BNK – bank, APS – insurance company, PAP – reinsurance company,  
APP – insurance management company, IBS – investment brokerage company,  
IPS – investment management company, PFO – pension fund, CFI – other financial institution,  
FPS – financial management company, CKS – other commercial company.

\*\* MS – subsidiary; KS – joint venture; MAS – parent company.

**Summary report of equity and minimum capital requirements**

as of March 31, 2014

(Last date of the reporting period)

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№	Название позиции	Group; Reported period
<b>1</b>	<b>OWN FUNDS (1.1.+1.2.)</b>	26062
1.1.	TIER 1 CAPITAL (1.1.1.+1.1.2.)	20609
1.1.1.	COMMON EQUITY TIER 1 CAPITAL	20609
1.1.2.	ADDITIONAL TIER 1 CAPITAL	0
1.2.	TIER 2 CAPITAL	5453
<b>2</b>	<b>TOTAL RISK EXPOSURE AMOUNT (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.+2.7.)</b>	173361
2.1.	RISK WEIGHTED EXPOSURE AMOUNTS FOR CREDIT, COUNTERPARTY CREDIT AND DILUTION RISKS AND FREE DELIVERIES	154531
2.2.	TOTAL RISK EXPOSURE AMOUNT FOR SETTLEMENT/DELIVERY	0
2.3.	TOTAL RISK EXPOSURE AMOUNT FOR POSITION, FOREIGN EXCHANGE AND COMMODITIES RISKS	968
2.4.	TOTAL RISK EXPOSURE AMOUNT FOR OPERATIONAL RISK (OpR )	17862
2.5.	TOTAL RISK EXPOSURE AMOUNT FOR CREDIT VALUATION ADJUSTMENT	0
2.6.	TOTAL RISK EXPOSURE AMOUNT RELATED TO LARGE EXPOSURES IN THE TRADING BOOK	0
2.7.	OTHER RISK EXPOSURE AMOUNTS	0
<b>3</b>	<b>Kapitāla rādītāji un kapitāla līmeņi</b>	
3.1.	CET1 Capital ratio (1.1.1./2.*100)	12
3.2.	Surplus(+)/Deficit(-) of CET1 capital (1.1.1.-2.*4.5%)	12808
3.3.	T1 Capital ratio(1.1./2.*100)	12
3.4.	Surplus(+)/Deficit(-) of T1 capital (1.1.-2.*6%)	10207
3.5.	Total capital ratio (1./2.*100)	15
3.6.	Surplus(+)/Deficit(-) of total capital(1./2.*100)	12193
<b>4</b>	<b>Capital buffers (4.1.+4.2.+4.3.+4.4.+4.5.)</b>	0
4.1.	Combined buffer requirement (%)	0
4.2.	Institution specific countercyclical capital buffer (%)	0
4.3.	Systemic risk buffer (%)	0
4.4.	Systemical important institution buffer (%)	0
4.5.	Other Systemically Important Institution buffer (%)	0
<b>5</b>	<b>Capital ratios due to Pillar II adjustments</b>	
5.1.	Own funds requirements related to Pillar II adjustments	3771
5.2.	CET1 capital ratio including Pillar II adjustments	11
5.3.	T1 capital ratio including Pillar II adjustments	11
5.4.	Total capital ratio including Pillar II adjustments	13

**Расчёт показателя ликвидности**  
**as of March 31, 2014**  
(последний день отчетного периода)

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№	Название позиции	Bank; Reported period
<b>1</b>	<b>Liquid assets (1.1.+1.2.+1.3.+1.4.)</b>	176030
1.1.	Cash	5323
1.2.	Deposits with the Bank of Latvia	54933
1.3.	Claims on Credit Institutions	100907
1.4.	Liquid securities	14867
<b>2</b>	<b>Current Liabilities (with term before 30 days) (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.)</b>	225964
2.1.	Liabilities to Credit Institutions	17
2.2.	Deposits	212956
2.3.	Issued Debt Securities	0
2.4.	Items in Transit	3203
2.5.	Other Current Liabilities	5619
2.6.	Off-Balance Sheet Items	4169
<b>3</b>	<b>Liquidity Ratio (1.:2.) (%)</b>	77.90
<b>4</b>	<b>Minimum Liquidity Ratio</b>	30%

**Additional information:**

1. During the reporting period auditors "KPMG Baltics SIA" have audited AS "SMP Bank" Bank and Consolidated Financial Statements for the year ended 31 December 2013 (hereinafter referred to as the Annual Report for the year ended 31 December

2.The Information on risks, associated with the activities of AS „SMP Bank” (hereinafter referred to as the Bank) was published in the Annual report for the year ended 31 December 2013 on pages 22-63 and in the Information Disclosure Statement for the year 2013 on pages 1-8 and has not changed since publishing.

3. As of May 07th, 2014, the name of the Bank has been changed to AS "Meridian Trade Bank". As of May 10th, 2014, the shareholders structure has been changed substantially, as the result of which, only individuals and legal entities - residents of the EU, none of whom holds majority stake in the Bank, are the Bank's shareholders of the Bank.

4. Management of the Bank has been changed substantially. Latest information about management of the Bank is published on the Bank's home page in the section "About bank" (subsections "Management" -

5. Information on organizational structure of the Bank is published in the Annual report for the year ended 31 December 2013 on p.13. and on the Bank home page in the section "About bank" (subsection "Structure" -

"http://www.mtbank.eu/static/uploaded\_files/documents/latvija/struktura\_eng.pdf"). New customer service centre has been opened during the first quarter of the year 2014: "Pērses" (Rīga, Pērses ielā 2).

6.The information on strategy of the Bank's business activities and goals is published on the Bank's home page in the section "About bank" (subsections "History and Mission" -http://www.mtbank.eu/en\_LV/about/history/) and in the Information Disclosure Statement for the year 2013 on page 5, and has not been changed since publishing.

7.The information about Remuneration policies and practices of the Bank is published in the Information Disclosure Statement for the year 2013 on pages 6 - 7, and has not been changed since publishing.

Chairperson of the Board \_\_\_\_\_ / S.Dzene /