

**AS "Meridian Trade Bank"**  
**Quarterly Financial Statements**  
**for the period ended December 31, 2014**

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

**Balance Sheet**

as of December 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	17069	52443
Demand Claims on Credit Institutions	72928	114003
Trading securities	3	21
Securities designated at fair value through profit or loss	0	0
Investment securities available-for-sale	15858	0
incl. Republic of Slovenia Government Bonds	2681	0
incl. Republic of Latvia Government Bonds	2249	0
incl. Republic of Lithuania Government Bonds	3442	0
incl. Ungarian Government Bonds	2112	0
incl. Romanian Government Bonds	4260	0
incl. Republik of Estonia corporate entities' Eurobonds	1114	0
Loans and advances to customers	107760	112767
for reference: impairment allowance	7574	7564
Held-to-maturity investments	19950	46864
incl. USA Treasury Bonds	2933	29311
incl. Republic of Latvia Government Bonds	5281	5492
incl. Republic of Lithuania Government Bonds	4855	2319
incl. Russian Federation corporate entities' Eurobonds	4791	4821
Changes in fair valua of portfolio part hedged against percentage risk	0	0
Prepayments and Accrued Income	0	0
Property and equipment	1246	1256
Investment properties	8677	7877
Intangible assets	0	0
Investments in subsidiaries	0	0
Tax receivables	335	58
Other Assets	6961	5022
<b>Total assets</b>	<b>250787</b>	<b>340311</b>
Liabilities to Central Banks	2897	23
Demand Liabilities to Credit Institutions	0	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	217914	298493
Financial liabilities after transferring of financial assets	0	0
Changes in fair valua of portfolio part hedged against percentage risk	0	0
Deferred Income and Accrued Expenses	0	0
Provisions for Liabilities and Charges	159	153
Deffered tax liabilities	51	52
Other liabilities	4944	20964
<b>Total liabilities</b>	<b>225965</b>	<b>319702</b>
Shareholders' equity	24822	20609
<b>Total liabilities and shareholders' equity</b>	<b>250787</b>	<b>340311</b>
Off-Balance-Sheet Items		
Contingent Liabilities	2370	5688
Off-Balance-Sheet Commitments to Customers	2841	4791

\*) audited

### Income Statement

as of December 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	4 783	4 044
Interest expense	(1 529)	(1 238)
Dividend income	-	-
Fee and commission income	3 894	3 794
Fee and commission expense	(984)	(800)
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	1 278	1 979
Profit/ (loss) from derecognising of property, plant and equipment, investment properties and intangible assets	-	-
Other income	417	188
Other expense	(162)	(125)
Administrative expense	(6 956)	(4 517)
Depreciation	(514)	(354)
Allowances for credit losses	(10)	(1 452)
Value impairment losses	-	-
<b>Profit before corporate income tax</b>	<b>217</b>	<b>1 519</b>
Corporate income tax	-	(184)
<b>Net profit for the period</b>	<b>217</b>	<b>1 335</b>

\*) audited

**Bank activity indices**  
as of December 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) (%)	0.90	12.51
Return on assets (ROA) (%)	0.05	0.57

\*) audited

**Consolidated group**  
as of December 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 "MTB Finance"	LV, Rīga, Elizabetes 57	CFI	100	100	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 December 31, 2014

(Last date of the reporting period)

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№	Название позиции	Group; Reported period
1	<b>OWN FUNDS (1.1.+1.2.)</b>	29012
1.1.	TIER 1 CAPITAL (1.1.1.+1.1.2.)	24555
1.1.1.	COMMON EQUITY TIER 1 CAPITAL	24555
1.1.2.	ADDITIONAL TIER 1 CAPITAL	0
1.2.	TIER 2 CAPITAL	4457
2	<b>TOTAL RISK EXPOSURE AMOUNT (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.+2.7.)</b>	175044
2.1.	RISK WEIGHTED EXPOSURE AMOUNTS FOR CREDIT, COUNTERPARTY CREDIT AND DILUTION RISKS AND FREE DELIVERIES	156501
2.2.	TOTAL RISK EXPOSURE AMOUNT FOR SETTLEMENT/DELIVERY	0
2.3.	TOTAL RISK EXPOSURE AMOUNT FOR POSITION, FOREIGN EXCHANGE AND COMMODITIES RISKS	681
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
3	<b>Capital ratios and capital levels</b>	
3.1.	CET1 Capital ratio (1.1.1./2.*100)	14
3.2.	Surplus(+)/Deficit(-) of CET1 capital (1.1.1.-2.*4.5%)	16678
3.3.	T1 Capital ratio(1.1./2.*100)	14
3.4.	Surplus(+)/Deficit(-) of T1 capital (1.1.-2.*6%)	14052
3.5.	Total capital ratio (1./2.*100)	17
3.6.	Surplus(+)/Deficit(-) of total capital(1./2.*100)	15008
4	<b>Capital buffers (4.1.+4.2.+4.3.+4.4.+4.5.)</b>	2.5
4.1.	Combined buffer requirement (%)	2.5
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
5	<b>Capital ratios due to Pillar II adjustments</b>	
5.1.	Own funds requirements related to Pillar II adjustments	2449
5.2.	CET1 capital ratio including Pillar II adjustments	13
5.3.	T1 capital ratio including Pillar II adjustments	13
5.4.	Total capital ratio including Pillar II adjustments	15

### Liquidity ratio calculation

as of December 31, 2014

(Last date of the reporting period)

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№	Name of the Item	Bank; Reported period
1	<b>Liquid assets (1.1.+1.2.+1.3.+1.4.)</b>	121037
1.1.	Cash	4849
1.2.	Deposits with the Bank of Latvia	495
1.3.	Claims on Credit Institutions	82689
1.4.	Liquid securities	33004
2	<b>Current Liabilities (with term before 30 days) (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.)</b>	174768
2.1.	Liabilities to Credit Institutions	7
2.2.	Deposits	167006
2.3.	Issued Debt Securities	0
2.4.	Items in Transit	538
2.5.	Other Current Liabilities	4377
2.6.	Off-Balance Sheet Items	2840
3	<b>Liquidity Ratio (1.:2.) (%)</b>	69.26
4	<b>Minimum Liquidity Ratio</b>	50%

#### Additional information:

1. In the reporting period auditors have not audited AS "Meridian Trade Bank" Bank Financial Statements.
2. The Information on risks, associated with the activities of AS „Meridian Trade 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. In the reporting period the shareholders structure has been changed. As at 31.12.2014 only individuals and legal entities - residents of the Republic of Latvia are the Bank's shareholders. Latest information about shareholders of the Bank is published on the Bank's home page in the section "About bank" (subsections "Management" - [http://www.mtbank.eu/en\\_LV/about/management/](http://www.mtbank.eu/en_LV/about/management/)).
4. Management of the Bank has been changed in the reporting period. Jekaterina Meinharde was appointed to the Board. Latest information about management of the Bank is published on the Bank's home page in the section "About bank" (subsections "Management" - [http://www.mtbank.eu/en\\_LV/about/management/](http://www.mtbank.eu/en_LV/about/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](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). 3 customer service centres have been closed during the second quarter of the year 2014: "Lielvārde" (Lielvārdē, Lāčplēša ielā 14), "Dzelzavas" (Rīga, Dzelzavas iela 62), "Deglava" (Rīga, A. Deglava iela 160a). Official representative office in Kiev, Ukraine has been closed during the second quarter of the year 2014. Customer service centre "Centro" in Vilnius, Lithuania has been closed during the third quarter of the year 2014.
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/](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 /