

**AS "Meridian Trade Bank"**  
**Quarterly Financial Statements**  
**for the period ended June 30, 2015**

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

**Balance Sheet**  
as of June 30, 2015  
(Last date of the reporting period)

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Name of the Item	Bank; Reported period	Bank; Previous financial year *
Cash in Hand and Demand Claims on Central Banks	7981	17069
Demand Claims on Credit Institutions	88371	72928
Trading securities	1	3
Securities designated at fair value through profit or loss	0	0
Investment securities available-for-sale	35538	15857
Loans and advances to customers	113847	118469
for reference: impairment allowance	7955	8064
Held-to-maturity investments	21093	19950
Changes in fair value of portfolio part hedged against percentage risk	0	0
Prepayments and Accrued Income	190	0
Property and equipment	1100	1205
Investment properties	0	0
Intangible assets	0	0
Investments in subsidiaries	0	0
Tax receivables	61	225
Other Assets	3771	4289
<b>Total assets</b>	<b>271953</b>	<b>249995</b>
Liabilities to Central Banks	716	2897
Demand Liabilities to Credit Institutions	0	0
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	239336	217916
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	152	158
Deferred tax liabilities	62	51
Other liabilities	7490	4710
Total liabilities	247756	225732
Shareholders' equity	24197	24263
<b>Total liabilities and shareholders' equity</b>	<b>271953</b>	<b>249995</b>
Off-Balance-Sheet Items		
Contingent Liabilities	1597	2370
Off-Balance-Sheet Commitments to Customers	1176	2841

\*) audited

**Income Statement**

as of June 30, 2015

(Last date of the reporting period)

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Name of the Item	Bank; Reported period	Bank; Previous financial year appropriate period
Interest income	2,450	2,463
Interest expense	(553)	(687)
Dividend income	-	-
Fee and commission income	1,775	2,197
Fee and commission expense	(468)	(499)
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	515	790
Profit/ (loss) from derecognising of property, plant and equipment, investment properties and intangible assets	-	-
Other income	24	293
Other expense	(27)	(84)
Administrative expense	(3,621)	(3,424)
Depreciation	(160)	(259)
Allowances for credit losses	19	(581)
Value impairment losses	-	-
<b>Profit before corporate income tax</b>	<b>(46)</b>	<b>209</b>
Corporate income tax	-	-
<b>Net profit for the period</b>	<b>(46)</b>	<b>209</b>

\*) audited

**Bank activity indices**

as of June 30, 2015

(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) (%)	-0.38	0.37
Return on assets (ROA) (%)	-0.03	0.03

\*) audited

**Consolidated group**

as of June 30, 2015

(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 June 30, 2015

(Last date of the reporting period)

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Nr.	Name of the Item	Bank; Reported period
<b>1</b>	<b>Own funds (1.1.+1.2.)</b>	26096
1.1.	Tier 1 capital (1.1.1.+1.1.2.)	23250
1.1.1.	Common equity Tier 1 capital	23250
1.1.2.	Additional Tier 1 capital	0
1.2.	Tier 2 capital	2846
<b>2</b>	<b>Total risk exposure amount (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.+2.7.)</b>	187722
2.1.	Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	169903
2.2.	Total risk exposure amount for settlement/delivery	0
2.3.	Total risk exposure amount for position, foreign exchange and commodities risks	302
2.4.	Total risk exposure amount for operational risk (OpR)	17517
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>Capital ratios and capital levels</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%)	14803
3.3.	T1 Capital ratio(1.1./2.*100)	12
3.4.	Surplus(+)/Deficit(-) of T1 capital (1.1.-2.*6%)	11987
3.5.	Total capital ratio (1./2.*100)	14
3.6.	Surplus(+)/Deficit(-) of total capital(1./2.*100)	11078
<b>4</b>	<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
<b>5</b>	<b>Capital ratios due to Pillar II adjustments</b>	-
5.1.	Own funds requirements related to Pillar II adjustments	0
5.2.	CET1 capital ratio including Pillar II adjustments	12
5.3.	T1 capital ratio including Pillar II adjustments	12
5.4.	Total capital ratio including Pillar II adjustments	14

**Liquidity ratio calculation**  
as of June 30, 2015

(Last date of the reporting period)

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№	Name of the Item	Bank; Reported period
<b>1</b>	<b>Liquid assets (1.1.+1.2.+1.3.+1.4.)</b>	149837
1.1.	Cash	5386
1.2.	Deposits with the Bank of Latvia	2425
1.3.	Claims on Credit Institutions	88541
1.4.	Liquid securities	53485
<b>2</b>	<b>Current Liabilities (with term before 30 days) (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.)</b>	177033
2.1.	Liabilities to Credit Institutions	5
2.2.	Deposits	168352
2.3.	Issued Debt Securities	0
2.4.	Items in Transit	2059
2.5.	Other Current Liabilities	5443
2.6.	Off-Balance Sheet Items	1174
<b>3</b>	<b>Liquidity Ratio (1.:2.) (%)</b>	84,64
<b>4</b>	<b>Mimumum Liquidity Ratio</b>	50%

### Additional information:

1. As at 30 June 2015 breakdown of the securities portfolio of the Bank by countries, where the total book value of the securities exceeds 10% of the Bank's Own Funds.

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Issuer state	Total	% of the Bank's Own Funds	incl. Central Government	% of the Bank's Own Funds	Other issuers
Republic of Lithuania	10690	41%	10690	41%	0
United States of America	9917	38%	8107	31%	1810
Republic of Latvia	9205	35%	9205	35%	0
Hungary	5234	20%	2655	10%	2579
Russian Federation	3747	14%	0	0%	3747
Romania	3665	14%	3665	14%	0
Slovenia	2675	10%	2675	10%	0
Other countries	9066	35%	477	2%	8589
<b>Total securities portfolio</b>	<b>54199</b>	<b>X</b>	<b>37474</b>	<b>X</b>	<b>16725</b>

2. In the reporting period auditors have not audited AS "Meridian Trade Bank" Bank Financial Statements.

3. 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 2014 on pages 22-70 ([http://www.mtbank.eu/static/uploaded\\_files/documents/latvija/reports/2014/meridian\\_trade\\_bank\\_fin.stat\\_2014.pdf](http://www.mtbank.eu/static/uploaded_files/documents/latvija/reports/2014/meridian_trade_bank_fin.stat_2014.pdf)) and in the Information Disclosure Statement for the year 2014 on pages 1-9 ([http://www.mtbank.eu/static/uploaded\\_files/documents/latvija/reports/2014/informacijas\\_atklasanas\\_atkaite\\_31122014\\_ru.pdf](http://www.mtbank.eu/static/uploaded_files/documents/latvija/reports/2014/informacijas_atklasanas_atkaite_31122014_ru.pdf)) and has not changed since publishing.

4. In the reporting period the shareholders structure has been changed. 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/)).

5. Management of the Bank has not been changed in the reporting period. The 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/)).

6. Information on organizational structure of the Bank is published in the Annual report for the year ended 31 December 2014 on p.14, 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 2015: Krāslava ( Krāslava, Rīgas ielā 34) and "Kengarags" (Rīga, Maskavas 264).

7. 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" (subsection "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 2014 on page 4, and has not been changed since publishing.

8. The information about Remuneration policies and practices of the Bank is published in the Information Disclosure Statement for the year 2014 on pages 5 - 7, and has not been changed since publishing.

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