

**Quarterly Financial Statements
for the period ended September 30, 2016**

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

Balance Sheet
as of September 30, 2016
(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	42,618	7,210
Demand Claims on Credit Institutions	35,522	99,939
Trading securities	3	2
Securities designated at fair value through profit or loss	-	-
Investment securities available-for-sale	54,104	64,520
Loans and advances to customers	122,925	113,662
for reference: impairment allowance	9,342	8,046
Held-to-maturity investments	18,628	33,395
Changes in fair value of portfolio part hedged against percentage risk	-	-
Prepayments and Accrued Income	584	100
Property and equipment	1,192	1,074
Investment properties	-	-
Intangible assets	-	-
Investments in subsidiaries	-	-
Tax receivables	-	57
Other Assets	2,303	4,237
Total assets	277,879	324,196
Liabilities to Central Banks	5	716
Demand Liabilities to Credit Institutions	-	-
Held-for-trading financial liabilities	-	-
Financial liabilities at fair value with changes in fair value in net profit or loss	-	-
Financial liabilities at amortised cost	245,368	279,986
Financial liabilities after transferring of financial assets	-	-
Changes in fair value of portfolio part hedged against percentage risk	-	-
Deferred Income and Accrued Expenses	-	-
Provisions for Liabilities and Charges	152	152
Deffered tax liabilities	86	64
Other liabilities	7,387	19,332
Total liabilities	252,998	300,250
Shareholders' equity	24,881	23,946
Total liabilities and shareholders' equity	277,879	324,196
Off-Balance-Sheet Items		
Contingent Liabilities	999	1,138
Off-Balance-Sheet Commitments to Customers	3,738	7,107

*) audited

Income Statement
 as of September 30, 2016
 (Last date of the reporting period)

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Name of the Item	Bank; Reported period	Bank; Previous financial year appropriate
Interest income	4,437	3,825
Interest expense	(1,068)	(956)
Dividend income	-	-
Fee and commission income	3,694	2,750
Fee and commission expense	(1,102)	(748)
Net profit/(loss) from financial assets and financial liabilities at amortised cost	1,176	-
Net profit/(loss) from available-for-sale investments	(159)	-
Net profit/(loss) from held-for-trading investments	1	-
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	785	656
Profit/ (loss) from derecognising of property, plant and equipment, investment properties and intangible assets	-	-
Other income	27	47
Other expense	(57)	(43)
Administrative expense	(5,786)	(5,387)
Depreciation	(176)	(234)
Allowances for credit losses	(1,313)	78
Value impairment losses	-	-
Profit before corporate income tax	459	(12)
Corporate income tax	-	-
Net profit for the period	459	(12)

Bank activity indices
as of September 30, 2016
(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) (%)	2.46	-0.07
Return on assets (ROA) (%)	0.19	-0.01

Consolidated group
as of September 30, 2016
(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 September 30, 2016
(Last date of the reporting period)

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Nr.	Name of the Item	Bank; Reported period
1	Own funds (1.1.+1.2.)	24,208
1.1.	Tier 1 capital (1.1.1.+1.1.2.)	23,098
1.1.1.	Common equity Tier 1 capital	23,098
1.1.2.	Additional Tier 1 capital	-
1.2.	Tier 2 capital	1,110
2	Total risk exposure amount (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.+2.7.)	172,750
2.1.	Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	155,829
2.2.	Total risk exposure amount for settlement/delivery	-
2.3.	Total risk exposure amount for position, foreign exchange and commodities risks	774
2.4.	Total risk exposure amount for operational risk (OpR)	16,147
2.5.	Total risk exposure amount for credit valuation adjustment	-
2.6.	Total risk exposure amount related to large exposures in the trading book	-
2.7.	Other risk exposure amounts	-
3	Capital ratios and capital levels	-
3.1.	CET1 Capital ratio (1.1.1./2.*100)	13.37
3.2.	Surplus(+)/Deficit(-) of CET1 capital (1.1.1.-2.*4.5%)	15,324
3.3.	T1 Capital ratio(1.1./2.*100)	13.37
3.4.	Surplus(+)/Deficit(-) of T1 capital (1.1.-2.*6%)	12,733
3.5.	Total capital ratio (1./2.*100)	14.01
3.6.	Surplus(+)/Deficit(-) of total capital(1./2.*100)	10,388
4	Capital buffers (4.1.+4.2.+4.3.+4.4.+4.5.)	2.50
4.1.	Combined buffer requirement (%)	2.50
4.2.	Institution specific countercyclical capital buffer (%)	-
4.3.	Systemic risk buffer (%)	-
4.4.	Systemical important institution buffer (%)	-
4.5.	Other Systemically Important Institution buffer (%)	-
5	Capital ratios due to Pillar II adjustments	-
5.1.	Own funds requirements related to Pillar II adjustments	-
5.2.	CET1 capital ratio including Pillar II adjustments	13.37
5.3.	T1 capital ratio including Pillar II adjustments	13.37
5.4.	Total capital ratio including Pillar II adjustments	14.01

Appendix 6
of the Financial and Capital Market Commission Regulation Nr. 145 of 15.09.2006.

Liquidity ratio calculation

as of September 30, 2016
(Last date of the reporting period)

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№	Name of the Item	Bank; Reported period
1	Liquid assets (1.1.+1.2.+1.3.+1.4.)	147,758
1.1.	Cash	4,792
1.2.	Deposits with the Bank of Latvia	37,632
1.3.	Claims on Credit Institutions	34,704
1.4.	Liquid securities	70,630
2	Current Liabilities (maturity within 30 days) (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.)	197,142
2.1.	Liabilities to Credit Institutions	5
2.2.	Deposits	185,879
2.3.	Issued Debt Securities	-
2.4.	Items in Transit	2,235
2.5.	Other Current Liabilities	5,288
2.6.	Off-Balance Sheet Items	3,735
3	Liquidity Ratio (1.:2.) (%)	74.95
4	Minimum Liquidity Ratio	50%

Additional information:

1. As at 30 September 2016 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
US	41,019	169%	41,019	169%	-
LV	8,886	37%	8,886	37%	-
LT	6,611	27%	6,611	27%	-
SL	4,761	20%	4,761	20%	-
PL	3,588	15%	3,588	15%	-
RO	3,394	14%	3,394	14%	-
Other countries	2,370	10%	557	2%	1,813
Total securities portfolio	70,630	X	68,817	X	1,813

During the 3rd quarter of the year 2016 provisions for financial assets at amortized cost have not been made.

As at 30 September 2016 the market value of the financial assets at amortized cost amounted EUR 17 176 thousand.

During the 2nd quarter of the year 2016 has not been recognized an impairment for available for sale financial assets.

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 2015 on pages 24-72 (https://www.mtbank.eu/static/uploaded_files/meridian_trade_bank_as_ifrs_fs_2015_eng.pdf) and in the Information Disclosure Statement for the year 2015 on pages 1-15 (https://www.mtbank.eu/static/uploaded_files/informacijas_atklanas_ataskaite_31122015_en.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/).

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/).

6. Information on organizational structure of the Bank is published in the Annual report for the year ended 31 December 2015 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"). By optimizing the customer service center network in Latvia, was closed Client Service Center "Jaunbūve" in Daugavpils, during the third quarter of the year 2016.

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/) and in the Information Disclosure Statement for the year 2015 on page 4, and has not been changed significantly since publishing.

8. The information about Remuneration policies and practices of the Bank is published in the Information Disclosure Statement for the year 2015 on pages 5 - 7, and has not been changed significantly since publishing.

Chairperson of the Board _____ / S.Dzene /