

**Quarterly Financial Statements
for the period ended March 31, 2017**

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

Balance Sheet
as of March 31, 2017
(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	49,792	71,817
Demand Claims on Credit Institutions	24,635	32,949
Trading securities	1	2
Securities designated at fair value through profit or loss	-	-
Investment securities available-for-sale	64,323	53,283
Loans and advances to customers	112,570	113,532
for reference: impairment allowance	16,728	17,210
Held-to-maturity investments	20,084	26,357
Changes in fair value of portfolio part hedged against percentage risk	-	-
Prepayments and Accrued Income	160	150
Property and equipment	1,002	1,109
Investment properties	-	-
Intangible assets	42	-
Investments in subsidiaries	-	-
Tax receivables	-	-
Other Assets	5,278	3,980
Total assets	277,887	303,179
Liabilities to Central Banks	5	5
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	249,914	276,733
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	72	71
Other liabilities	9,596	9,551
Total liabilities	259,739	286,512
Shareholders' equity	18,148	16,667
Total liabilities and shareholders' equity	277,887	303,179
Off-Balance-Sheet Items		
Contingent Liabilities	1,035	937
Off-Balance-Sheet Commitments to Customers	1,303	2,092

*) audited

Income Statement
 as of March 31, 2017
 (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	1,164	1,204
Interest expense	(310)	(278)
Dividend income	-	-
Fee and commission income	1,471	1,087
Fee and commission expense	(362)	(336)
Net profit/(loss) from financial assets and financial liabilities at amortised cost	-	-
Net profit/(loss) from available-for-sale investments	(1)	-
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	352	202
Profit/ (loss) from derecognising of property, plant and equipment, investment properties and intangible assets	-	-
Other income	11	13
Other expense	(23)	(2)
Administrative expense	(1,988)	(1,810)
Depreciation	(70)	(56)
Allowances for credit losses	300	206
Value impairment losses	-	-
Profit before corporate income tax	544	230
Corporate income tax	-	-
Net profit for the period	544	230

*) audited

Bank's profitability ratios
as of March 31, 2017
(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) (%)	9.52	3.80
Return on assets (ROA) (%)	0.69	0.32

*) audited

Consolidated group
as of March 31, 2017
(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 March 31, 2017

(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.)	18,504
1.1.	Tier 1 capital (1.1.1.+1.1.2.)	16,295
1.1.1.	Common equity Tier 1 capital	16,295
1.1.2.	Additional Tier 1 capital	-
1.2.	Tier 2 capital	2,209
2	Total risk exposure amount (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.+2.7.)	141,845
2.1.	Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	125,705
2.2.	Total risk exposure amount for settlement/delivery	-
2.3.	Total risk exposure amount for position, foreign exchange and commodities risks	379
2.4.	Total risk exposure amount for operational risk (OpR)	15,761
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)	11.49
3.2.	Surplus(+)/Deficit(-) of CET1 capital (1.1.1.-2.*4.5%)	9,912
3.3.	T1 Capital ratio(1.1./2.*100)	11.49
3.4.	Surplus(+)/Deficit(-) of T1 capital (1.1.-2.*6%)	7,784
3.5.	Total capital ratio (1./2.*100)	13.05
3.6.	Surplus(+)/Deficit(-) of total capital(1./2.*100)	7,156
4	Capital buffers (4.1.+4.2.+4.3.+4.4.+4.5.)	2.50
4.1.	Capital conservation buffer (%)	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	11.49
5.3.	T1 capital ratio including Pillar II adjustments	11.49
5.4.	Total capital ratio including Pillar II adjustments	13.05

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

Liquidity ratio calculation

as of March 31, 2017

(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.)	155,431
1.1.	Cash	5,372
1.2.	Deposits with the Bank of Latvia	44,181
1.3.	Claims on Credit Institutions	31,004
1.4.	Liquid securities	74,874
2	Current Liabilities (maturity within 30 days) (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.)	198,897
2.1.	Liabilities to Credit Institutions	5
2.2.	Deposits	187,860
2.3.	Issued Debt Securities	-
2.4.	Items in Transit	4,859
2.5.	Other Current Liabilities	4,874
2.6.	Off-Balance Sheet Items	1,299
3	Liquidity Ratio (1.:2.) (%)	78.15
4	Mimumum Liquidity Ratio	50%

Additional information:

1. As at 31 March 2017 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	46,316	250%	46,316	250%	-
LV	7,879	43%	7,879	43%	-
LT	6,127	33%	6,127	33%	-
SL	4,884	26%	4,884	26%	-
PL	4,612	25%	4,612	25%	-
RO	3,390	18%	3,390	18%	-
Other countries	1,666	9%	1,666	9%	-
Total securities portfolio	74,874	X	74,874	X	-

During the 1st quarter of the year 2017 provisions for financial assets at amortized cost have not been made.

As at 31 March 2017 the market value of the financial assets at amortized cost amounted EUR 11 116 thousand.

During the 1st quarter of the year 2017 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 2016 on pages 28-82 (https://www.mtbank.eu/static/uploaded_files/IFRS%20Signed%20EN.PDF) and in the Information Disclosure Statement for the year 2016 on pages 1-25 (https://www.mtbank.eu/static/uploaded_files/information_disclosure_2016.pdf) and has not changed since publishing.

4. In the reporting period the shareholders structure has been changed. There was registered an increase of paid up capital in the Register of Enterprises on 30 March 2017 in the amount of EUR 947 thou. 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. In the reporting period Bank's structure hasn't been changed. Information on organizational structure of the Bank is published in the Annual report for the year ended 31 December 2016 on p.16. 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).

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 Annual report for the year 2016 on page 3, 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 2016 on pages 11 - 14, and has not been changed significantly since publishing.

Chairman of the Board _____ / S.Dzene /