

**Quarterly Financial Statements
for the period ended September 30, 2017**

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

Balance Sheet
as of September 30, 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	103,814	71,817
Demand Claims on Credit Institutions	19,445	32,949
Trading securities	1	2
Securities designated at fair value through profit or loss	-	-
Investment securities available-for-sale	37,271	53,283
Loans and advances to customers	106,819	113,532
for reference: impairment allowance	16,806	17,210
Held-to-maturity investments	8,190	26,357
Changes in fair value of portfolio part hedged against percentage risk	-	-
Prepayments and Accrued Income	188	150
Property and equipment	1,042	1,109
Investment properties	-	-
Intangible assets	33	-
Investments in subsidiaries	-	-
Tax receivables	-	-
Other Assets	6,949	3,980
Total assets	283,752	303,179
Liabilities to Central Banks	-	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	258,811	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	5,935	9,551
Total liabilities	264,970	286,512
Shareholders' equity	18,782	16,667
Total liabilities and shareholders' equity	283,752	303,179
Off-Balance-Sheet Items		
Contingent Liabilities	822	937
Off-Balance-Sheet Commitments to Customers	6,687	2,092

*) audited

Income Statement
 as of September 30, 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	3,177	4,437
Interest expense	(1,127)	(1,068)
Dividend income	-	-
Fee and commission income	4,462	3,694
Fee and commission expense	(1,188)	(1,102)
Net profit/(loss) from financial assets and financial liabilities at amortised cost	-	1,176
Net profit/(loss) from available-for-sale investments	24	(159)
Net profit/(loss) from held-for-trading investments	(1)	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	1,770	785
Profit/ (loss) from derecognising of property, plant and equipment, investment properties and intangible assets	-	-
Other income	28	27
Other expense	(95)	(57)
Administrative expense	(5,955)	(5,786)
Depreciation	(224)	(176)
Allowances for credit losses	188	(1,313)
Value impairment losses	-	-
Profit before corporate income tax	1,059	459
Corporate income tax	-	-
Net profit for the period	1,059	459

*) audited

Bank's profitability ratios
as of September 30, 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) (%)	7.07	2.46
Return on assets (ROA) (%)	0.47	0.19

*) audited

Consolidated group
as of September 30, 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 September 30, 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.)	18,691
1.1.	Tier 1 capital (1.1.1.+1.1.2.)	16,435
1.1.1.	Common equity Tier 1 capital	16,435
1.1.2.	Additional Tier 1 capital	-
1.2.	Tier 2 capital	2,256
2	Total risk exposure amount (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.+2.7.)	137,013
2.1.	Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	120,913
2.2.	Total risk exposure amount for settlement/delivery	-
2.3.	Total risk exposure amount for position, foreign exchange and commodities risks	339
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)	12.00
3.2.	Surplus(+)/Deficit(-) of CET1 capital (1.1.1.-2.*4.5%)	10,269
3.3.	T1 Capital ratio(1.1./2.*100)	12.00
3.4.	Surplus(+)/Deficit(-) of T1 capital (1.1.-2.*6%)	8,214
3.5.	Total capital ratio (1./2.*100)	13.64
3.6.	Surplus(+)/Deficit(-) of total capital(1./2.*100)	7,730
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	12.00
5.3.	T1 capital ratio including Pillar II adjustments	12.00
5.4.	Total capital ratio including Pillar II adjustments	13.64

Liquidity ratio calculation

as of September 30, 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.)	165,627
1.1.	Cash	5,132
1.2.	Deposits with the Bank of Latvia	98,466
1.3.	Claims on Credit Institutions	18,637
1.4.	Liquid securities	43,392
2	Current Liabilities (maturity within 30 days) (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.)	208,034
2.1.	Liabilities to Credit Institutions	0
2.2.	Deposits	194,871
2.3.	Issued Debt Securities	-
2.4.	Items in Transit	2,101
2.5.	Other Current Liabilities	4,379
2.6.	Off-Balance Sheet Items	6,683
3	Liquidity Ratio (1.:2.) (%)	79.62
4	Minimum Liquidity Ratio	50%

Additional information:

1. As at 30 September 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	33,875	181%	33,875	181%	-
LV	5,436	29%	5,436	29%	-
LT	2,675	14%	2,675	14%	-
Other countries	1,406	8%	1,406	8%	-
Total securities portfolio	43,392	X	43,392	X	-

During the 3rd quarter of the year 2017 provisions for financial assets at amortized cost have not been made.

As at 30 September 2017 the market value of the financial assets at amortized cost amounted EUR 6 657 thousand.

During the 3rd 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 not 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. In the reporting period Bank's structure has not 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 /