

INTERIM CONSOLIDATED STATEMENT

Other comprehensive income

"31"December 2014

Converse Bank CSJC ,V. Sargsyan 26/1 st., Yerevan

(name and address of the bank)

(thous. drams)

Item	Notes	01.10.14- 31.12.14	01.01.14- 31.12.14	01.10.13- 31.12.13	01.01.13- 31.12.13
Other comprehensive income					
Exchange differences from recalculation of foreign transactions		-			
Net unrealized losses from changes in fair value of available-for sale instruments		(522,240)	(589,604)	669,925	791,749
Hedging of cash flows		-			
Gain/loss from revaluation of fixed assets		-		2,414,982	2,414,982
Profit tax in other comprehensive income		123,439	136,912	(1,236,237)	(1,236,237)
Other comprehensive income after tax		(398,801)	(452,692)	1,848,670	1,970,494
Comprehensive profit/ loss		333,128	1,926,809	1,758,270	2,419,460
Including					
Owner's share					
Other share					

Approval date 19.01.15

Chief Executive Officer _____ T. Davtyan
(Executive director)

Chief Accountant _____ G. Harutyunyan

INTERIM CONSOLIDATED STATEMENT
on comprehensive financial results

«31» December 2014

Converse Bank CSJC, V. Sargsyan 26/1 st., Yerevan

(name and address of the bank)

(thous. drams)

Item	Note	01.10.14- 31.12.14	01.01.14- 31.12.14	01.10.13- 31.12.13	01.01.13- 31.12.13
Interest and similar income	6	3,326,215	12,583,151	2,926,426	10,896,817
Interest and similar expenses	6	(1,583,740)	(6,272,571)	(1,571,379)	(5,744,021)
Net interest income		1,742,475	6,310,580	1,355,047	5,152,797
Income from commissions and other fees	7	453,382	1,665,635	387,477	1,364,852
Expenses regarding commissions and other fees	7	(142,578)	(536,450)	(174,499)	(516,962)
Net commissions received		310,804	1,129,185	212,978	847,890
Income from dividends	9	850	2,826	661	2,317
Net trading income	8	1,087,316	1,693,582	338,328	673,920
Other operational income	9	204,772	570,445	314,125	823,997
Operational income		3,346,216	9,706,617	2,221,139	7,500,921
Impairment charge for credit losses	10	(848,373)	(755,520)	(365,973)	(300,139)
Total administrative expenses	11,20,21	(1,477,840)	(5,668,083)	(1,671,124)	(6,198,070)
Other operational expenses	12	(81,350)	(228,205)	(131,069)	(261,289)
Net loss/gain from investments in units under control					
Profit/ (loss) before tax		938,653	3,054,809	52,973	741,422
Profit tax	13	(206,724)	(675,308)	(143,373)	(292,457)
Net profit/ (loss)		731,929	2,379,501	(90,400)	448,965
Including					
Owner's share					
Other share					

Approval date 19.01.15

Chief Executive Officer _____ T. Davtyan
(Executive director)

Chief Accountant _____ G. Harutyunyan

"31" December 2014

Converse Bank CSJC .V. Sargsyan 26/1 st., Yerevan

(name and address of the bank)

(thous. drams)

	Item	Notes	Current period	Previous period
1	Assets			
1.1	Cash and balances with CBA	14	28,325,239	21,103,526
1.2	Trading securities	15	-	268,904
1.3	Amounts due from other financial institutions	16	7,361,737	2,883,839
1.4	Derivative instruments	17	-	-
1.5	Loans and advances to customers	18	93,624,506	79,957,304
1.6	Investments available for sale	19	1,943,118	7,544,409
1.7	Securities pledged under repurchase agreements	28	6,674,904	-
1.8	Property, plant and equipment	20	7,297,406	7,357,158
1.9	Intangible assets	21	253,290	191,883
1.10	Assets held for sale	22	2,258,253	1,012,014
1.11	Deferred tax assets	13	-	-
1.12	Prepaid income taxes		-	46,763
1.13	Other assets	23	1,028,592	1,028,450
	Total assets		148,767,045	121,394,250
2	LIABILITIES AND EQUITY			
	Liabilities			
2.1	Amounts due to RA CB	24	4,903,789	4,043,242
2.2	Amounts due to financial institutions	25	20,443,763	11,951,850
2.3	Amounts due to customers	26	98,023,954	84,296,177
2.4	Derivative financial liabilities	17	180,645	-
2.5	Income tax liability		71,069	-
2.6	Deferred tax liabilities	13	1,769,900	1,533,878
2.7	Other liabilities	27	511,522	489,487
	Total liabilities		125,904,641	102,314,634
3	Equity			
3.1	Share capital	31	7,002,033	4,860,033
3.2	Share premium		63,233	63,233
3.3	Statutory general reserve		844,898	780,365
3.3.1	Other reserves		347,390	819,073
3.3.2	Buildings		3,978,486	4,054,481
3.4	Retained earnings		10,626,364	8,502,431
	Total capital		22,862,404	19,079,616
	Total liabilities and capital		148,767,045	121,394,250

Approval date 19.01.15

 Chief Executive Officer
(Executive director)

_____ T. Davtyan

Chief Accountant

_____ G. Harutyunyan

"31" December 2014

Converse Bank CSJC, V. Sargsyan 26/1 st., Yerevan

(name and address of the bank)

From the beginning of previous year till reporting date

(thous. drams)

Names of the equity's items Item	Share capital	Share premium/loss	General reserve	Revaluation reserve of financial assets held for sale	Revaluation reserve of fixed assets	Accrual profit (loss)	Total
Balance as of 01 January, 2013	4,860,033	63,233	715,505	185,673	2,974,458	8,149,176	16,948,078
Profit for the year						448,965	448,965
Investments in share capital							0
Transfers to reserves			64,860			(64,860)	0
Dividends to shareholders						(287,922)	(287,922)
Other comprehensive income							0
Adjustment to revaluation reserve on depreciation of PPE					(257,071)	257,071	0
Reassessment of fixed assets					2,414,982		2,414,982
Net unrealized gains from changes in fair value				839,237			839,237
Net losses realized to comprehensive income statement on disposal of available-for-sale instruments				(47,488)			(47,488)
Income tax relating to components of other comprehensive income				(158,349)	(1,077,888)		(1,236,237)
Total other comprehensive income	0	0	0	633,400	1,080,023	257,071	1,970,494
							0
Balance as of 31 December, 2013	4,860,033	63,233	780,365	819,073	4,054,481	8,502,431	19,079,616
Balance as of 01 January, 2014	4,860,033	63,233	780,365	819,073	4,054,481	8,502,431	19,079,616
Profit for the year						2,379,501	2,379,501
Investments in share capital	2,142,000						2,142,000
Transfers to reserves			64,533			(64,533)	0
Dividends to shareholders						(286,020)	(286,020)
Other comprehensive income							0
Adjustment to revaluation reserve on depreciation of PPE					(94,986)	94,986	0
Reassessment of fixed assets							0
Net unrealized gains from changes in fair value				135,998			135,998
Net losses realized to comprehensive income				(725,602)			(725,602)
Income tax relating to components of other comprehensive income				117,921	18,991		136,912
Total other comprehensive income	0	0	0	(471,683)	(75,995)	94,986	(452,692)
Balance as of 31 December, 2014	7,002,033	63,233	844,898	347,390	3,978,486	10,626,364	22,862,404

Approval date 19.01.15

Chief Executive Officer
(Executive director)

T. Davtyan

Chief Accountant

G. Harutyunyan

INTERIM CONSOLIDATED STATEMENT

on cash flow of bank

"31" December 2014

Converse Bank CSJC .V. Sargsyan 26/1 st., Yerevan

(name and address of the bank)

(thous. drams)

Item	From beginning of current year till reporting date	From beginning of previous year till reporting date / audited/
I. Net cash flow from operational activities	x	x
Interests received	12,289,560	10,350,018
Interests paid	(6,868,991)	(5,061,134)
Fees and Commissions received	1,937,955	1,589,365
Fees and Commissions paid	(536,450)	(516,962)
Gains less losses from trading securities	(305)	766
Realised gains from dealing in foreign currencies	1,128,306	813,263
Recovery of previously written off loans	1,219,125	988,494
Other income received	869,535	960,823
Salaries and benefits paid	(2,973,865)	(3,023,096)
Other operating expenses paid	(2,138,470)	(2,208,664)
Cash flows from operating activities before changes in operating assets and liabilities		
Net (increase)/decrease in operating assets	(18,501,110)	(14,916,068)
Deposited funds with the CBA	-	(100,000)
Precious metals	(182,718)	66,208
Trading securities	267,744	(100,457)
Derivative transactions	(6,440)	-
Amounts due from other financial institutions	(4,934,156)	3,288,643
Loans and advances to customers	(12,713,334)	(19,349,997)
Other assets	(932,206)	1,279,535
Increase/(decrease) in operating liabilities	17,242,236	1,873,033
Amounts due to financial institutions	3,971,229	3,416,065
Amounts due to customers	3,224,613	(1,265,727)
Trading liabilities	6,499,979	-
Other liabilities	3,546,415	(277,305)
Net cash flow from operating activities before income tax	3,667,525	(9,150,163)
Income tax paid	(182,600)	(192,348)
Net cash from operating activities	3,484,925	(9,342,511)
2. Net cash flow from investing activities	x	x
Purchase of investment securities	(1,245,812)	(1,909,735)
Dividends received	2,810	2,317
Purchase of property, equipment and intangible assets	(500,131)	(893,655)
Proceeds from sale of property, equipment and intangible assets	8,464	29,378
Net cash used in investing activities	(1,734,669)	(2,771,695)
Net cash flow from financing activities		
Issue of share capital	2,142,000	-
Loans received from financial organizations	3,320,595	(2,971,033)
Redemption of debt securities issued	-	-
Dividends paid to shareholders	(286,020)	(287,922)
Net cash flow from financing activities	5,176,575	(3,258,955)
Net increase in cash and cash equivalents	6,926,831	(15,373,161)
Cash and cash equivalents at the beginning of the year	21,103,526	35,899,638
Effect of exchange rate changes on cash and cash equivalents	294,882	577,049
Cash and cash equivalents at the end of the year	28,325,239	21,103,526

Approval date 19.01.15

Chief Executive Officer _____ T. Davtyan
(Executive director)

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