### INTERIM CONSOLIDATED FINANCIAL STATEMENT

### "31" March 2016

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

(name and address of the bank)

(thous, drams)

	Item	Notes	Current period	Previous period
2-6	Assets			
.1	Cash and balances with CBA	14	34,793,569	46,029,188
2	Trading securities	15	607,927	207,592
	Amounts due from other financial institutions	16	7,787,345	9,302,649
4	Derivative instruments	17	-	
.5	Loans and advances to customers	18	87,986,576	83,998,085
	Investments available for sale	19	9,916,241	4,828,885
7	Securities pledged under repurchase agreements	25	=	5,484,22
8	Property, plant and equipment	20	7,177,333	7,321,034
.9	Intangible assets	21	184,874	187,008
10	Assets held for sale	22	2,527,313	2,350,780
11	Deferred tax assets	13	-	
.12	Prepaid income taxes		261,870	237,79
.13	Other assets	23	1,813,043	1,046,67
V.	Total assets		153,056,091	160,993,912
2	LIABILITIES AND EQUITY			
4	Liabilities			
	Amounts due to financial institutions	24	12,206,391	19,828,63
2.1	Derivative financial liabilities	17	151,770	14,49
2.2	Trading liabilities	25	-	
2.3		26	107,957,791	108,927,99
2.4	Amounts due to customers Income tax liability	20	107,001,101	
2.5	Deferred tax liabilities	13	1,535,822	1,515,70
2.6	Other liabilities	27	757,212	562,35
2.7	Subordinated Loans	28	7,502,239	7,430,70
2.8	Total liabilities		130,111,225	138,279,88
3	Equity			
3.1	Share capital	29	7,002,033	7,002,03
3.2	Share premium		63,233	63,23
3.3	Statutory general reserve		1,005,996	1,005,99
3.3.1	Other reserves		428,234	345,23
3.3.2	Buildings		3,905,917	3,929,66
3.4	Retained earnings		10,539,453	10,367,86
5.4	Total capital		22,944,866	22,714,02
	Total liabilities and capital		153,056,091	160,993,91

Chief Executive Officer
(Executive Officer)
(Chief Ageomtant)

G. Harutyunyan

### ConverseBank

### INTERIM CONSOLIDATED STATEMENT

on comprehensive financial results

"31" March 2016

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

(name and address of the bank)

(thous\_drams)

ltem.	Note	01.01.16- 31.03.16	01.01.15- 31.03.15
Interest and similar income	6	3,434,397	3,374,792
Interest and similar expenses	6	(1,650,515)	(1,767,186)
Net interest income		1,783,882	1,607,606
Income from commissions and other fees	7	391,012	388,276
Expenses regarding commissions and other fees	7	(151,433)	(142,027)
Net commissions reveived		239,579	246,249
Income from dividents	9	1,091	910
Net trading income	8	(26,383)	(143,781)
Other operational income	9	175,341	262,126
Operational income		2,173,510	1,973,110
Impairment charge for credit losses	10	(359,283)	165,658
Total administrative expenses	11,20,21	(1,506,101)	(1,446,368)
Other operational expenses	12	(117,359)	(46,904)
Net loss/gain from investments in units under control		-	-
Profit/ (loss) before tax		190,767	645,496
Profit tax	13	(42,923)	(141,987)
Net profit/ (loss)		147,844	503,509
Including			
Owner's share			
Other share			

Approval date 14.04.16

Chiul become Onage T Davtyan
(Executive director)

Chief Accountant 7 6. Harutyunyan

# ConverseBank

# INTERIM CONSOLIDATED STATEMENT

### Other comprehensive income

"31" March 2016

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

(name and address of the bank)

(thous drams)

ltem	Notes	01.01.16- 31.03.16	01.01.15- 31.03.15
Other comprehensive income	1000		
Exchange differences from recalculation of foreign transactions			
Net unrealized losses from changes in fair value of available-for sale instruments		103,744	(78,428)
Hedging of cash flows		14	
Gain/loss from revaluation of fixed assets		-	
Profit tax in other comprehensive income		(20,749)	15,686
Other comprehensive income after tax		82,995	(62,742)
Comprehensive profit/ loss		230,839	440,767
Including			
Owner's share			
Other share			

Approval date 14.04.16

Chief Executive Officer

(Executive director)

Chief Accountant

G, Harutyunyan

# Converse

# INTERIM CONSOLIDATED STATEMENT of changes in equity

"31" March 2016

Converse Bank CSJC, V. Sargsyan 26/1 st., Yerevan (name and address of the bank)

From the beginning of previous year till reporting date

10,268,240 22,504,283 503,509 503,509 0 0 23,746 0 (38,894) (39,534)	23,746	23,746	23,746	23,746	23,746	23,746		(39,534)	(39,534)	15,686	15,666		23,746 (62,742)		10,795,496 22,945,050	10 367 861 22,714,026	147 844		0	0	0	747 20	11.03	108 050	(4.345)	(610,4)		23,747	10,539,452 22,944,866
3,978,488	(23,746)	(23,746)	(23,746)	(23,746)	(23,746)	(23,746)	(22)(27)						(23.746)		3,954,742	2 929 FEA	0,020,0					TAT CO1	(23,741)						3,905,917
347,391 (38,894) (39,534)	(38,894)	(38,894)	(38,894)	(38,894)	(39,534)	(38,894)	(38,894)	(39,534)	(39,534)	(38,534)		15,686	(62 742)		284.649									0 000	660,801	(4,315)	(20,749)	0 82,995	428,234
844,898	200												0		844 898	300 300 +	nee'con'i												1,005,995
	000 00	02,233											c		63 233	00000	03,233											0	63,233
	000,000	7,002,033											•		7 000 033	1,002,000	7,002,033											0	7,002,033
		Balance as of 01 January, 2015 /audited/	Profit for the year	Investments in share capital	Transfers to reserves	Dividends to shareholders	Other comprehensive income	Adjustment to revaluation reserve on depreciation of PPE	Reassessment of fixed assets	Net unrealized gains from changes in fair value	Net losses realized to comprehensive income statement on disposal of available-for-sale instruments	Income tax relating to components of other comprehensive	income	Total other comprehensive income		Balance as of 31 March, 2013	Balance as of Ol January, 2016	Profit for the year	Investments in share capital	Transfers to reserves	Dividends to shareholders	Other comprehensive income	Adjustment to revaluation reserve on depreciation of PPE	Reassessment of fixed assets	Net unrealized gains from changes in fair value	Net losses realized to comprehensive income statement on	disposal of available-tot-sale filst unders	The other commendencine income	Dalaman or of 31 March 2016

Approval date 14.04.16

G. Harutyunyan

# INTERIM CONSOLIDATED STATEMENT

on cash flow of bank

"31" March 2016

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

(name and address of the bank)

(thous. drams)

	(thous, dra									
ltem	From beginning of currant year till reporting date	From beginning of previous year till reporting date								
	x	x								
Net cash flow from operational activities										
	2 242 205	3,270,719								
terests received	3,013,205	(1,797,861)								
terests paid	(2,346,899) 471,834	446,957								
es and Commissions received	(151,434)	(142,027)								
es and Commissions paid	(7,935)	329								
nins less losses from trading securities	383,919	262,232								
ealised gains from dealing in foreign currencies	643,380	154,489								
ecovery of previously written off loans		286,552								
ther income received	63,093	(536,902)								
alaries and benefits paid	(540,196)	(535,285)								
Other operating expenses paid	(619,985)	(555,266)								
Cash flows from operating activities before changes in operating assets and liabilities										
200000027455540003004	(4,170,673	2,589,803								
let (increase)/decrease in operating assets	550,000	350,000								
Deposited funds with the CBA	(103,055	122,809								
recious metals	(400,335									
rading securities	423	(5,194								
Derivative transactions	658,300	(1,503,953								
Amounts due from other financial institutions	(4,936,090	0.007.000								
Loans and advances to customers	60,084	174 744								
Other assets										
Increase/(decrease) in operating liabilities	(6,557,658	11 000 000								
Amounts due to financial institutions	1,998,282	0 554 504								
Amounts due to customers	(4,104,040	1004 000								
Trading liabilities	(5,299,998	20 C								
Other liabilities	848,098	(1,185,814								
Net cash flow from operating activities before income tax	(9,819,34	7,415,844								
	(67,00)	0)								
Income tax paid Net cash from operating activities	(9,886,34	7,415,844								
		x								
2. Net cash flow from investing activities	383,95									
Purchase of investment securities	1,09									
Dividends recieved Purchase of property, equipment and intangible assets	(70,37	6) (26,10								
Proceeds from sale of property, equipment and intangible assets		276.02								
Net cash used in investing activities	314,67	2 376,02								
Net cash flow from financing activities										
Issue of share capital	11 007 7	(1,318,90								
Loans received from financial organizations	(1,997,74	(1,310,30								
Redemption of debt securities issued										
Dividends paid to shareholders	10 CON T	(1,318,90								
Net cash flow from financing activities	(1,997,74	(1,318,50								
Notice each and each equivalents	(11,569,4									
Net increase in eash and eash equivalents	46,029,1	38 27,841,42								
Cash and cash equivalents at the beginning of the year  Effect of exchange rate changes on cash and cash equivalents	333,8									
Cash and cash equivalents at the end of the year	34,793,5	59 33,790,1								

Approval date 14.04.16

Chief Executive Officer

Escautive director)

Chief Executive Officer

G. Harutyunyan