

INTERIM STATEMENT
on comprehensive financial results

«30» September 2013

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

(name and address of the bank)

(thous. drams)

Item	Note	01.07.13- 30.09.13	01.01.13- 30.09.13	01.07.12- 30.09.12	01.01.12- 30.09.12
Interest and similar income	6	2,785,826	7,820,508	2,182,133	5,998,719
Interest and similar expenses	6	(1,579,343)	(4,427,418)	(1,051,037)	(2,996,211)
Net interest income		1,206,483	3,393,090	1,131,096	3,002,508
Income from commissions and other fees	7	457,612	1,127,256	376,336	1,069,552
Expenses regarding commissions and other fees	7	(126,764)	(342,462)	(113,074)	(266,444)
Net commissions revelved		330,848	784,794	263,262	803,108
Income from dividends	9	550	1,656	363	1,910
Net trading income	8	118,179	335,591	299,631	1,058,137
Other operational income	9	132,468	685,940	75,676	203,024
Operational income		1,788,528	5,201,071	1,770,028	5,068,687
Impairment charge for credit losses	10	(268,132)	65,834	(372,933)	(125,124)
Total administrative expenses	11,20,21	(1,440,974)	(4,436,369)	(1,315,294)	(3,855,242)
Other operational expenses	12	(49,560)	(130,220)	(37,037)	(66,199)
Net loss/gain from investments in units under control					
Profit/ (loss) before tax		29,862	700,316	44,764	1,022,122
Profit tax	13	(8,110)	(149,084)	66,080	(136,392)
Net profit/ (loss)		21,752	551,232	110,844	885,730
Including					
Owner's share					
Other share					

Approval date 09.10.13

Chief Executive Officer _____ T. Davtyan

(Executive director)

Chief Accountant _____ G. Harutyunyan

INTERIM STATEMENT

Other comprehensive income

"30"September 2013

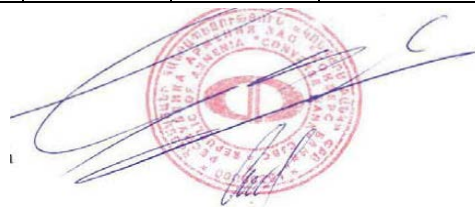
Converse Bank CSJC, V. Sargsyan 26/1 st., Yerevan

(name and address of the bank)

(thous. drams)

Item	Notes	01.07.13- 30.09.13	01.01.13- 30.09.13	01.07.12- 30.09.12	01.01.12- 30.09.12
Other comprehensive income		7,896	121,824	11,569	45,270
Exchange differences from recalculation of foreign transactions		-			-
Net loss realized to net profit on disposal of available-for-sale instruments		7,896	121,824	11,569	45,270
Hedging of cash flows		-			-
Gain/loss from revaluation of fixed assets		-			-
Profit tax in other comprehensive income		-			-
Other comprehensive income after tax		7,896	121,824	11,569	45,270
Comprehensive profit/ loss		29,648	673,056	122,413	931,000
Including					
Owner's share					
Other share					

Approval date 09.10.13



Chief Executive Officer _____ T. Davtyan
(Executive director)

Chief Accountant _____ G. Harutyunyan

"30" September 2013

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

(name and address of the bank)

(thous. drams)

	Item	Notes	Current period	Previous year/audited/
1	Assets			
1.1	Cash and balances with CBA	14	22,727,796	23,582,048
1.2	Precious metals	15	139,528	118,037
1.3	Trading securities	16	166,691	168,448
1.4	Amounts due from other financial institutions	17	7,667,415	18,284,023
1.5	Derivative instruments	18	-	2,135
1.6	Loans and advances to customers	19	74,286,810	59,732,908
1.7	Investments available for sale	20	6,085,947	5,387,527
1.8	Securities pledged under repurchase agreements	30		-
1.9	Property, plant and equipment	21	4,934,793	4,811,309
1.10	Intangible assets	22	183,574	178,364
1.11	Assets held for sale	23	2,245,367	2,758,321
1.12	Deferred tax assets	13		-
1.13	Prepaid income taxes		198,982	56,750
1.14	Other assets	23	793,343	754,490
	Total assets		119,430,246	115,834,360
2	LIABILITIES AND EQUITY			
	Liabilities			
2.1	Amounts due to RA CB	25	4,603,489	4,492,089
2.2	Amounts due to financial institutions	26	9,565,669	10,070,868
2.3	Amounts due to customers	27	87,027,953	83,833,092
2.4	Derivative financial liabilities	18		
2.5	Debt securities issued			-
2.6	Deferred tax liabilities	13	356,603	207,519
2.7	Other liabilities	28	694,837	441,519
2.8	Other provisions	29	17,001	9,713
	Total liabilities		102,265,552	99,054,800
3	Equity			
3.1	Share capital	31	4,860,033	4,860,033
3.2	Share premium		63,233	63,233
3.3	Statutory general reserve		780,365	715,505
3.3.1	Other reserves		307,497	185,673
3.3.2	Buildings		2,733,453	2,974,458
3.4	Retained earnings		8,420,113	7,980,658
	Total capital		17,164,694	16,779,560
	Total liabilities and capital		119,430,246	115,834,360

Approval date 09.10.13



Chief Executive Officer
(Executive director)

_____ T. Davtyan

Chief Accountant

_____ G. Harutyunyan

INTERIM STATEMENT
of changes in equity

"30" September 2013

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, 2012/audited/	4,860,033	63,233	715,505	(35,468)	3,295,797	7,578,452	16,477,552
Adjustments to previous period error						2,429	2,429
Profit for the year						885,730	885,730
Investments in share capital							0
Transfers to reserves							0
Dividends to shareholders						(243,433)	(243,433)
Other comprehensive income							0
Adjustment to revaluation reserve on depreciation of PPE							0
Reassessment of fixed assets					(241,005)	241,005	0
Net unrealized gains from changes in fair value				4,725			4,725
Net losses realized to comprehensive income statement on disposal of available-for-sale instruments				40,545			40,545
Income tax relating to components of other comprehensive income				0			0
Total other comprehensive income	0	0	0	45,270	(241,005)	241,005	45,270
							0
Balance as of 30 September, 2012	4,860,033	63,233	715,505	9,802	3,054,792	8,464,183	17,167,548
Balance as of 01 January, 2013/audited/	4,860,033	63,233	715,505	185,673	2,974,458	7,980,658	16,779,560
Profit for the year						551,232	551,232
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							0
Reassessment of fixed assets					(241,005)	241,005	0
Net unrealized gains from changes in fair value				35,254			35,254
Net losses realized to comprehensive income				86,570			86,570
Income tax relating to components of other							0
Total other comprehensive income	0	0	0	121,824	(241,005)	241,005	121,824
Balance as of 30 September, 2013	4,860,033	63,233	780,365	307,497	2,733,453	8,420,113	17,164,694

Approval date 09.10.13



Chief Executive Officer
(Executive director)

T. Davtyan

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INTERIM STATEMENT

on cash flow of bank

"30" September 2013

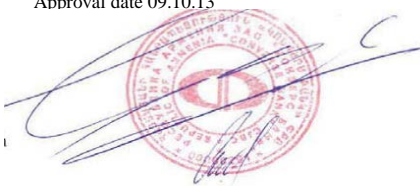
Converse Bank CSJC .V. Sargsyan 26/1 st., Yerevan

(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
I. Net cash flow from operational activities	x	x
Interests received	7,431,973	6,157,426
Interests paid	(3,796,644)	(2,796,183)
Fees and Commissions received	1,127,256	1,026,163
Fees and Commissions paid	(342,463)	(266,444)
Gains less losses from trading securities	623	5,347
Realised gains from dealing in foreign currencies	563,477	708,715
Recovery of previously written off loans	799,489	1,116,621
Other income received	546,170	985,457
Salaries and benefits paid	(1,952,145)	(1,909,556)
Other operating expenses paid	(1,641,342)	(2,455,980)
Cash flows from operating activities before changes in operating assets and liabilities		
Net (increase)/decrease in operating assets	(12,444,477)	(16,258,522)
Deposited funds with the CBA	250,000	193,658
Precious metals	(20,901)	(100,506)
Trading securities	1,756	(300,168)
Derivative transactions	2,135	(2,158)
Amounts due from other financial institutions	25,090	1,391,335
Loans and advances to customers	(13,147,319)	(19,356,703)
Other assets	444,762	1,916,020
Increase/(decrease) in operating liabilities	757,144	(34,909,910)
Amounts due to financial institutions	629,043	5,359,091
Amounts due to customers	831,136	(43,032,167)
Trading liabilities	-	2,173,205
Other liabilities	(703,035)	589,961
Net cash flow from operating activities before income tax	(8,950,939)	(48,596,866)
Income tax paid	(142,232)	(110,000)
Net cash from operating activities	(9,093,171)	(48,706,866)
2. Net cash flow from investing activities	x	x
Purchase of investment securities	(626,824)	-
Dividends received	1,656	216
Purchase of property, equipment and intangible assets	(759,810)	(415,831)
Proceeds from sale of property, equipment and intangible assets	29,378	2,000
Net cash used in investing activities	(1,355,600)	(413,615)
Net cash flow from financing activities		
Issue of share capital	-	-
Loans received from financial organizations	(936,721)	418,636
Redemption of debt securities issued	-	-
Dividends paid to shareholders	(287,922)	-
Net cash flow from financing activities	(1,224,643)	418,636
Net increase in cash and cash equivalents	(11,673,414)	(48,701,845)
Cash and cash equivalents at the beginning of the year	35,899,638	72,401,755
Effect of exchange rate changes on cash and cash equivalents	462,414	2,302,028
Cash and cash equivalents at the end of the year	24,688,638	26,001,938

Approval date 09.10.13



Chief Executive Officer _____ T. Davtyan
(Executive director)

Chief Accountant _____ G. Harutyunyan