

INTERIM STATEMENT
on comprehensive financial results

«31» December 2012

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

(name and address of the bank)

(thousand AMD)

Item	Note	01.10.12-31.12.12	01.01.12-31.12.12	01.10.11-31.12.11	01.01.11-31.12.11
Interest and similar income	6	2,363,943	8,362,662	2,329,233	7,387,700
Interest and similar expenses	6	(1,133,669)	(4,129,880)	(936,652)	(3,584,957)
Net interest income		1,230,274	4,232,782	1,392,581	3,802,743
Income from commissions and other fees	7	403,224	1,472,776	368,560	1,391,611
Expenses regarding commissions and other fees	7	(120,409)	(386,853)	(93,661)	(341,782)
Net commissions revealed		282,815	1,085,923	274,899	1,049,829
Income from dividends	9	544	2,454	329	2,005
Net trading income	8	101,849	1,150,842	502,844	1,263,131
Other operational income	9	117,213	329,381	124,714	311,794
Operational income		1,732,695	6,801,382	2,295,367	6,429,502
Impairment charge for credit losses	10	(27,079)	(152,203)	(1,905,097)	(1,689,352)
Total administrative expenses	11,20,21	(1,534,233)	(5,397,172)	(1,410,757)	(4,552,432)
Other operational expenses	12	(40,484)	(98,986)	(20,283)	(60,749)
Net loss/gain from investments in units under control		-	-	-	-
Profit/ (loss) before tax		130,899	1,153,021	(1,040,770)	126,969
Profit tax	13	(73,109)	(209,501)	195,529	(50,509)
Net profit/ (loss)		57,790	943,520	(845,241)	76,460
Including					
Owner's share					
Other share					

Approval date 14.01.13

Chief Executive Officer _____ T. Davtyan
(Executive director)

Chief Accountant _____ G. Harutyunyan

INTERIM STATEMENT

Other comprehensive income

"31"December, 2012

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

(name and address of the bank)

(thousand AMD)

Item	Notes	01.10.12-31.12.12	01.01.12-31.12.12	01.10.11-31.12.11	01.01.11-31.12.11
Other comprehensive income		241,342	286,612	(180,118)	2,449
Rate differences from recalculation of foreign transactions		-	-	-	-
Net loss realized to net profit on disposal of available-for-sale instruments		241,342	286,612	(180,118)	2,449
Hedging of cash flows		-	-	-	-
Gain/loss from revaluation of fixed assets		-	-	-	-
Profit tax in other comprehensive income		(40,353)	(40,353)	(490)	(490)
Other comprehensive income after tax		200,989	246,259	(180,608)	1,959
Comprehensive profit/ loss		258,779	1,189,779	(1,025,849)	78,419
Including					
Owner's share					
Other share					

Approval date 14.01.13



Chief Executive Officer _____ T. Davtyan
(Executive director)

Chief Accountant _____ G. Harutyunyan

INTERIM FINANCIAL STATEMENT

"31" December, 2012

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

(name and address of the bank)

(thous. drams)

	Item	Notes	Current period	Previous year
1	Assets			
1.1	Cash and balances with CBA	14	24,422,298	69,136,771
1.2	Precious metals	15	118,037	146,308
1.3	Trading securities	16	168,448	120,617
1.4	Amounts due from other financial institutions	17	17,811,757	11,607,502
1.5	Loans and advances to customers	18	60,371,483	46,190,254
1.6	Investments available for sale	19	5,404,400	3,610,849
1.7	Securities pledged under repurchase agreements	29	-	1,032,481
1.8	Property, plant and equipment	20	4,811,309	4,801,785
1.9	Intangible assets	21	178,364	218,780
1.10	Assets held for sale	22	2,922,821	59,228
1.11	Deferred tax assets	13	-	-
1.12	Prepaid income taxes		56,750	215,300
1.13	Other assets	23	1,092,811	454,022
	Total assets		117,358,478	137,593,897
2	LIABILITIES AND EQUITY			
	Liabilities			
2.1	Amounts due to financial institutions	24	14,276,217	18,002,890
2.2	Amounts due to customers	25	84,811,444	102,374,094
2.4	Debt securities issued	26	-	-
2.5	Deferred tax liabilities	13	340,399	361,094
2.6	Other liabilities	27	485,105	337,568
2.7	Other provisions	28	21,413	40,699
	Total liabilities		99,934,578	121,116,345
3	Equity			
3.1	Share capital	30	4,860,033	4,860,033
3.2	Share premium		63,233	63,233
3.3	Statutory general reserve		715,505	715,505
3.3.1	Other reserves		210,791	(35,468)
3.3.2	Buildings		2,974,458	3,295,797
3.4	Retained earnings		8,599,880	7,578,452
	Total capital		17,423,900	16,477,552
	Total liabilities and capital		117,358,478	137,593,897

Chief Executive Officer
(Executive director)

_____ T. Davtyan

Chief Accountant

_____ G. Harutyunyan

INTERIM STATEMENT

of changes in equity

"31" December, 2012

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

(name and address of the bank)

From the beginning of previous year till reporting date

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, 2011	4,860,033	63,233	648,183	(37,427)	3,617,136	7,413,682	16,564,840
Adjustments to previous period error						0	0
Profit for the year						76,460	76,460
Investments in share capital							
Transfers to reserves			67,322			(67,322)	0
Dividends to shareholders						(165,707)	(165,707)
Other comprehensive income							0
Adjustment to revaluation reserve on depreciation of PPE					(321,339)	321,339	0
Reassessment of fixed assets							0
Net unrealized gains from changes in fair value				(3,343)			(3,343)
Net losses realized to comprehensive income statement on disposal of available-for-sale instruments				5,792			5,792
Income tax relating to components of other comprehensive income				(490)			(490)
Total other comprehensive income	0	0	0	1,959	(321,339)	321,339	1,959
							0
Balance as of 31 December, 2011	4,860,033	63,233	715,505	(35,468)	3,295,797	7,578,452	16,477,552
Balance as of 01 January, 2012	4,860,033	63,233	715,505	(35,468)	3,295,797	7,578,452	16,477,552
Adjustments to previous period error							0
Profit for the year						943,520	943,520
Investments in share capital							0
Transfers to reserves							0
Dividends to shareholders						(243,431)	(243,431)
Other comprehensive income							0
Adjustment to revaluation reserve on depreciation of PPE					(321,339)	321,339	0
Reassessment of fixed assets							0
Net unrealized gains from changes in fair value				(6,101)			(6,101)
Net losses realized to comprehensive income				292,713			292,713
Income tax relating to components of other comprehensive income				(40,353)			(40,353)
Total other comprehensive income	0	0	0	246,259	(321,339)	321,339	246,259
Balance as of 31 December, 2012	4,860,033	63,233	715,505	210,791	2,974,458	8,599,880	17,423,900



Chief Executive Officer
(Executive director)

T. Davtyan

Chief Accountant

G. Harutyunyan

INTERIM STATEMENT

on cash flow of bank

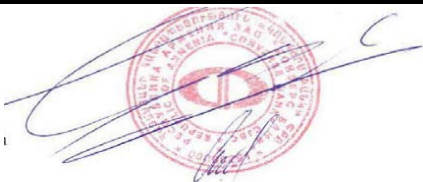
"31" December, 2012

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	8,429,147	7,601,977
Interests paid	(3,823,901)	(3,467,739)
Fees and Commissions received	1,423,540	1,391,611
Fees and Commissions paid	(386,102)	(341,782)
Gains less losses from trading securities	5,997	(25,956)
Realised gains from dealing in foreign currencies	996,663	882,800
Recovery of previously written off loans	1,471,905	428,714
Other income received	1,142,412	316,988
Salaries and benefits paid	(2,638,325)	(2,104,006)
Other operating expenses paid	(3,191,838)	(1,853,718)
Cash flows from operating activities before changes in operating assets and liabilities		
Net (increase)/decrease in operating assets	(19,051,547)	(7,782,981)
Deposited funds with the CBA	14,469	95,257
Precious metals	28,271	(53,779)
Amounts due from other financial institutions	161,641	(4,074,024)
Loans and advances to customers	(22,494,534)	(3,804,729)
Other assets	3,238,606	54,294
Increase/(decrease) in operating liabilities	(21,603,457)	43,072,546
Amounts due to financial institutions	6,141,975	4,312,268
Amounts due to customers	(28,331,911)	38,871,591
Trading liabilities	(1,030,885)	-
Other liabilities	1,617,364	(111,313)
Net cash flow from operating activities before income tax	(37,225,506)	38,118,454
Income tax paid	(112,000)	(79,373)
Net cash from operating activities	(37,337,506)	38,039,081
2. Net cash flow from investing activities	x	x
Purchase of investment securities	(201,765)	860,943
Dividends received	408	2,005
Purchase of property, equipment and intangible assets	(713,933)	(512,191)
Proceeds from sale of property, equipment and intangible assets	4,409	2,500
Net cash used in investing activities	(910,881)	353,257
Net cash flow from financing activities		
Issue of share capital	-	-
Loans received from financial organizations	(312,391)	
Redemption of debt securities issued	-	300,000
Dividends paid to shareholders	(243,431)	(165,707)
Net cash flow from financing activities	(555,822)	134,293
Net increase in cash and cash equivalents	(38,804,209)	38,526,631
Cash and cash equivalents at the beginning of the year	72,401,755	30,190,270
Effect of exchange rate changes on cash and cash equivalents	3,142,341	3,684,854
Cash and cash equivalents at the end of the year	36,739,887	72,401,755



Chief Executive Officer _____ T. Davtyan
(Executive director)

Chief Accountant _____ G. Harutyunyan