



Appendix 5

NOTES TO FINANCIAL STATEMENTS
(Form 5)

31 March 2018

ARMBUSINESSBANK CJSC, RA, YEREVAN, 48 NALBANDYAN

Note 1. Legal Environment and Corporate Governance

"Armbusinessbank" CJSC, former "Arminvestbank" CJSC (hereinafter the Bank) was founded in 1991, and it is a closed joint-stock company that operates in accordance with the legislation of the Republic of Armenia (hereinafter RA): The Bank was registered on 10.12.1991 by the RA Central Bank (hereinafter, CBA). The license number is 40.

The Bank accepts deposits from and extends loans to the population, makes transfers within the territory of Armenia and abroad, conducts currency conversion operations, as well as renders other banking services to corporates and individuals.

The Bank's head office and 25 branches are located in Yerevan, 22 branches are located in different regions (marzes) of Armenia, and 7 branches – in the Republic of Nagorno Karabakh.

The legal address of the Bank is: 48 Nalbandyan Street, Yerevan.

The Bank is:

- member of the Union of Banks of Armenia
- full member of global Master Card/Europay payment system
- shareholder of SWIFT system
- full member of VISA International payment system
- member of the Union of the participants of Armenia's Mortgage Market
- Shareholder of ArCa processing center
- Bank runs its own processing center

1. Corporate governance

The Bank's managing bodies are:

- General Meeting of the Shareholders - the Supreme governing body
- The Board
- The Executive Board and the Chairman of the Executive Board

a) The Board	
Chairman of the Board	Vitaly Grigoryants
Board Members	Sergey Arzumanyan
	Diana Grigoryan
	Sevak Petrosyan
	Alik Chirkinyan
b) The Executive Board	
Chairman of the Executive Board	Arsen Mikayelyan
Members of the Executive Board	
Manvel Sahakyan	Deputy Chairman of the Executive Board- Director of Financial Department
Vardan Aghajanyan	Deputy Chairman of the Executive Board- Director of Operations Department
Nshan Grigoryan	Deputy Chairman of the Executive Board -Director of Credit Department
Narine Sargsyan	Chief Accountant
Vahan Melkonyan	Director of Treasury Department - Chief Treasurer
Ani Ghambaryan	Director of Risk Management Department
c) Major Participants	
Vitaly Grigoryants	– 100 %

d) Management Remuneration Policy

Remuneration of the Management is provided in accordance with signed employment contracts and the staff list approved by the Board of the Bank.

Note 2. Accounting Policy

2.1 Preparation of financial statements

The Bank prepares its financial statements in accordance with the International Financial Reporting standards (IFRS), other legal acts regulating the accounting, and the requirements of the accounting policy approved by the Board of the Bank.

2.2 Going Concern

The financial statements have been prepared on a going concern basis which assumes that the Bank's assets should be realised and obligations met during the time of the Bank's operation.

2.3 Comparability

The comparable numbers have been adjusted where required to ensure the comparability with the numbers of the current period.

2.4 Recognition of income and expense

2.4.1 Interest income and expense

Interest income and interest expense in the Statement of Comprehensive Income are recognized on the accrual basis using the effective interest method.

2.4.2 Commissions and other income and expense

Loan origination fees together with correspondent expenses are deferred as an adjustment to the effective yield of the loans. Fees, other income and expense are recognized on an accrual basis during the time of service provision.

2.5 Foreign currency transactions

Foreign currency transactions are translated to the functional currency using the exchange rate as of the transaction date. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency using the exchange rate established as of the balance sheet date.

Gain and loss resulting from the difference between the exchange rate provided by the contract concerning the transaction and the exchange rate as of the transaction date are accounted for in the Statement of Comprehensive Income as a line item "net income from sale and purchase of foreign currency" in net trading income.

The following exchange rates were used by the Bank when preparing the financial statements:

	31 March 2018	31 December 2017
AMD/1 US Dollar	480.06	484.1
AMD/1 EUR	591.72	580.1

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand amounts of correspondent banks, balances with the CBA (excluding funds deposited for the settlement of ArCa payment cards), which can be converted into cash at short notice and which are subject to an insignificant risk of changes in value.

2.7 Amounts due from other banks

In the normal course of business, the Bank maintains current and deposits accounts opened with other banks for various periods of time.

2.8 Securities

On initial recognition, financial assets available for sale are accounted for at initial cost and thereafter remeasured at fair value. When revaluing at fair value, the revaluation result is reflected in the equity

2.9 Loans and advances to customers

Loans and advances are financial assets with fixed payments, which arise when the Bank provides money directly to a debtor with no intention of trading the receivable. Loans granted by the Bank with fixed maturities are initially recognized at fair value plus related transaction costs. Subsequently, loans and advances are measured at amortized cost using the effective interest method. Loans and advances to customers are carried net of any allowance for impairment losses.

2.10 Leasing

Lease payments under an operating lease are recognised in the statement of financial results as expenses on a straight-line basis over the lease term.

2.11 Possible losses reserve

The Bank makes an impairment assessment for financial assets or a group of financial assets as of the each balance sheet date.

2.12 Intangible assets

Intangible assets include computer software, licences and similar items. Intangible assets acquired separately are initially recognized at cost. After initial recognition, intangible assets are carried at cost less accumulated amortisation or impairment losses. Intangible assets can have either an identifiable or indefinite useful life. Intangible assets with identifiable useful lives are amortized on a straight-line basis over their useful life, that is 15 years. Intangible assets with indefinite useful lives are not amortized, they are reassessed each year for impairment.

2.13 Property, plant and equipment

Property, plant and equipment ("PPE") are recorded at historical cost less accumulated depreciation.

Depreciation is calculated using the straight-line method based on the estimated useful life of the asset. The following depreciation annual rates have been applied:

	Useful life
	(years)
Buildings	30
Computers	3
Transportation means	8
Automatic teller machines	10
Other PPE	8
Property and office equipment	8

Leasehold improvements are capitalized and depreciated over the shorter of the lease term and their useful lives on a straight-line basis.

The expenditures as regards PPE repairs and maintenance are recognized as an expense in the statement of financial results during the period in which they are incurred.

2.14 Financial instruments

The Bank implements measurement, recognition, use and accounting for the financial instruments according to the order established by the RA legislation as well as the regulations, decrees, orders and acts issued by the Bank.

2.15 Events occurring after the balance sheet date

2.15.1 In case material errors revealed by the auditor result from the differences between the requirements of the International Accounting Standards and RA legislation, then the accounting records are made in accordance with the decisions taken by the managing bodies of the Bank.

2.15.2 In case material errors appear or are revealed after publication of the Bank's annual financial statements according to the established order, then no adjustments are made, and it is considered that repeated presentation of similar information is impracticable.

2.16 Taxation

Income tax on the profit for the reporting year comprises current and deferred taxes. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to taxes paid in respect of previous years. Deferred taxes are calculated taking into account all the temporary differences arising between carrying values of assets and liabilities recognized in the financial statements and the amounts calculated for taxation purposes.

The Bank pays also other taxes during the course of its activity. These taxes are included as a component of other expenses in the statement of comprehensive financial results

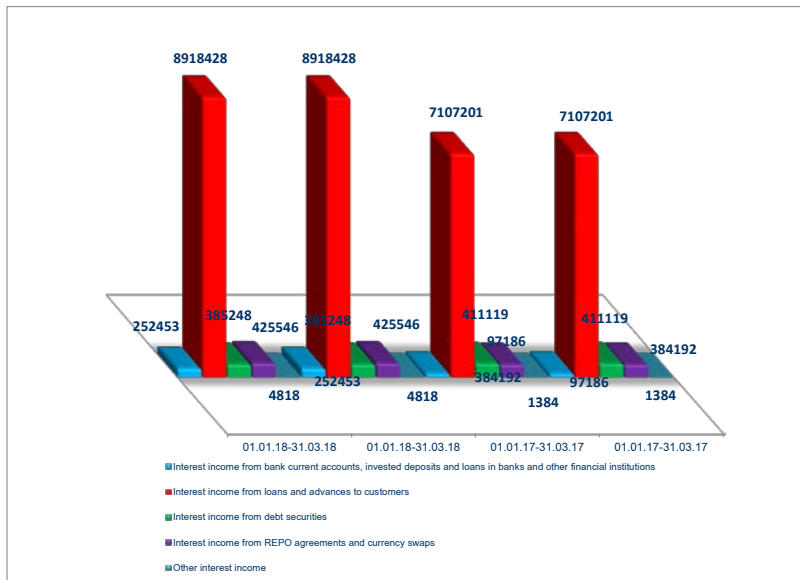
2.17 Functional and presentation currency

The national currency of the Republic of Armenia is RA Dram (AMD). For the purposes of these financial statements, RA Dram is the presentation currency as well.

The intermediary financial statements are presented in thousands of AMD.

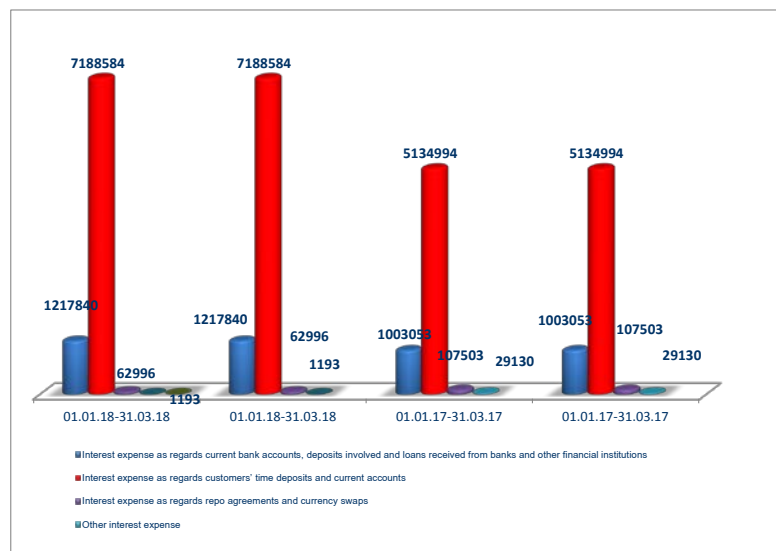
Note 3. Net Interest and Similar Income

Interest and Similar Income	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Interest income from bank current accounts, invested deposits and loans in banks and other financial institutions	252,453	252,453	97,186	97,186
Interest income from loans and advances to customers	8,918,428	8,918,428	7,107,201	7,107,201
Interest income from debt securities	385,248	385,248	411,119	411,119
Interest income from REPO agreements and currency swaps	425,546	425,546	384,192	384,192
Other interest income	4,818	4,818	1,384	1,384
Total	9,986,493	9,986,493	8,001,082	8,001,082



Interest and Similar Expense	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Interest expense as regards current bank accounts, deposits involved and loans received from banks and other financial institutions	1,217,840	1,217,840	1,003,053	1,003,053
Interest expense as regards customers' time deposits and current accounts	7,188,584	7,188,584	5,134,994	5,134,994
Interest expense as regards securities issued by the Bank	199,223	199,223	9,926	9,926
Interest expense as regards repo agreements and currency swaps	62,996	62,996	107,503	107,503

Other interest expense	1,193	1,193	29,130	29,130
Total	8,669,836	8,669,836	6,284,606	6,284,606
Net interest and similar income	1,316,657	1,316,657	1,716,476	1,716,476



Note 4. Income and Expense in the form of Commissions and Other Fees

Income in the form of Commissions and Other Fees	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Cash operations	195,336	195,336	56,828	56,828
Settlement services	271,407	271,407	131,744	131,744
Guarantee, acceptance, letter of credit, trust management operations	60,096	60,096	63,752	63,752
Transaction in foreign currency and securities	2	2		
Plastic card operations	252,198	252,198	136,730	136,730
Other commission payments	195,686	195,686	237,236	237,236
Total	974,725	974,725	626,290	626,290

Expenses in the form of Commissions and Other Payments	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Commission payments as regards correspondent and other accounts/bank transactions	74,216	74,216	52,385	52,385

Commission payments as regards transactions with plastic cards/cash transactions	48,034	48,034	20,554	20,554
Payments as regards guarantees, acceptance, letters of credit, trust management transactions	9,756	9,756		
Commission payments as regards transactions in foreign currency and securities				
Other commission payments	5,361	5,361	3,756	3,756
Total	137,127	137,367	76,695	76,695
Net Commissions and other payments received	837,598	837,358	549,595	549,595

Note 5. Net income from trading transactions

Income from investments remeasured at fair value and held at fair value	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Net income from purchase and sale of investments held for trading, including				
- shares				
- debt securities				
- derivative instruments			24,689	24,689
Net income from change in fair value of investments held for trading				
Total			24,689	24,689

Net income from investments available for sale	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Net income from purchase and sale of investments available for sale, including				
- shares				
- debt securities	0	0	0	0
- derivative instruments				
Net income from change in fair value of investments held for trading	0	0	0	0
Total	0	0	0	0

From foreign currency transactions	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Net income from foreign currency dealings	400,535	400,535	332,471	332,471
Net income from foreign currency revaluation	58,379	58,379	-21,978	-21,978
Total	458,914	458,914	310,493	310,493

From bank standardized precious metal bullions and commemorative coins	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Net income from purchase and sale of bank standardized precious metal bars and commemorative coins	23,724	23,724	1,656	1,656
Net income from revaluation of bank standardized precious metal bullions and commemorative coins	-2,417	-2,417	26,851	26,851
Total	21,307	21,307	28,507	28,507

Net income from trading transactions	480,221	480,221	363,689	363,689
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Note 6. Other operating income

Other operating income	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Fines and penalties received	673,889	673,889	518,231	518,231
Income received from factoring	449	449	1,860	1,860
Net income from disposal of PPE and intangible assets	1,638	1,638	588	588
Net income from revaluation and impairment reversal of PPE and intangible assets				
Other income	68,983	68,983	67,041	67,041
Total	744,959	744,959	587,720	587,720

Note 7. Net allocations to the assets possible loss reserve

As regards amounts due from banks		01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Opening balance	Note 14	95,832	95,832	59,187	59,187
Allocations to the reserve		292,764	292,764	286,338	286,338
Return of reserve allocations		-189,395	-189,395	-254,717	-254,717
Net allocations to the reserve		103,369	103,369	31,621	31,621
Return of amounts previously written-off to the off-balance sheet		0	0	0	0
Reserve utilization					
Closing balance			199,201	199,201	90,808

As regards amounts due from financial institutions		01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Opening balance	Note 14	78,692	78,692	57,370	57,370
Allocations to the reserve		12,299	12,299	14,827	14,827
Return of reserve allocations		-20,442	-20,442	-21,643	-21,643
Net allocations to the reserve		-8,143	-8,143	-6,816	-6,816
Return of amounts previously written-off to the off-balance sheet					
Reserve utilization					
Closing balance			70,549	70,549	50,554

As regards loans and advances provided to the customers		01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Opening balance	Note 16	5,623,825	5,623,825	4,239,633	4,239,633
Allocations to the reserve		4,091,847	4,091,847	1,931,211	1,931,211
Return of reserve allocations		-4,013,814	-4,013,814	-1,359,052	-1,359,052
Net allocations to the reserve		78,033	78,033	572,159	572,159
Return of amounts previously written-off to the off-balance sheet		1,295,176	1,295,176	571,324	571,324
Reserve utilization		-1,045,087	-1,045,087	-801,182	-801,182
Closing balance			5,951,947	5,951,947	4,581,934

As regards investments		01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Opening balance	Note 18	0	0	1,235	1,235
Allocations to the reserve		0	0	0	
Return of reserve allocations		0	0	0	
Net allocations to the reserve		0	0	0	0
Return of amounts previously written-off to the off-balance sheet					
Reserve utilization					
Closing balance			0	0	1,235

As regards other assets		01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Opening balance	Note 18	516,385	516,385	545,321	545,321
Allocations to the reserve		1,440,985	1,440,985	1,245,262	1,245,262
Return of reserve allocations		-1,421,611	-1,421,611	-1,251,767	-1,251,767
Net allocations to the reserve		19,374	19,374	-6,505	-6,505
Return of amounts previously written-off to the off-balance sheet		7,177	7,177	16,412	16,412
Reserve utilization		-32,246	-32,246	-9,891	-9,891
Closing balance			510,690	510,690	545,337

As regards off-balance sheet items containing credit risk		01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Opening balance	Note 34	615,498	615,498	591,471	591,471
Allocations to the reserve		219,856	219,856	107,339	107,339
Return of reserve allocations		-149,411	-149,411	-122,644	-122,644
Net allocations to the reserve		70,445	70,445	-15,305	-15,305
Closing balance			685,943	685,943	576,166

Total net allocations to the reserves		263,078	263,078	575,154	575,154
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Note 8. General administrative expenses

General administrative expenses	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Expenses as regards calculated salary and other equivalent payments *	939,538	939,538	844,642	844,642
Expenses as regards social payments	0	0	0	0
Expenses as regards training and tuition	323	323	50	50
Expenses as regards business trips	23,695	23,695	16,564	16,564
Expenses as regards operating lease	68,336	68,336	40,852	40,852
Insurance expenses	6,992	6,992	17,389	17,389
Expenses as regards maintenance and security of Bank's equipment	32,286	32,286	30,323	30,323
Expenses as regards maintenance and security of Bank's buildings	73,615	73,615	83,956	83,956
Expenses as regards audit and other consulting services	2,717	2,717	6,737	6,737
Expenses as regards communication means	34,541	34,541	27,401	27,401
Transportation expenses	16,100	16,100	13,961	13,961

Expenses as regards taxes, duties and other obligatory payments (except profit tax)	82,245	82,245	58,200	58,200
Office and organizational expenses	13,445	13,445	13,959	13,959
Expenses as regards loans provision and return	15,772	15,772	17,796	17,796
Other administrative expenses	209,856	209,856	45,317	45,317
Total	1,519,461	1,519,461	1,217,147	1,217,147

The number of the Bank employees as at 31 March 2017 is 916.

The size of average monthly salary per employee is 214 thous. drams.

Note 9. Other Operating Expenses

Other Operating Expenses	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Fines and penalties paid	0	0	362	362
Advertising and representation expenses	88,251	88,251	54,703	54,703
Fcatoting expenses				
Fixed and intangible assets amortization expenses	281,477	281,477	245,075	245,075
Loss from impairment of tangible assets				
Allocations to deposit guarantee fund	246,412	246,412	140,091	140,091
Other expenses	244,253	244,253	143,850	143,850
Total	860,393	860,393	584,081	584,081

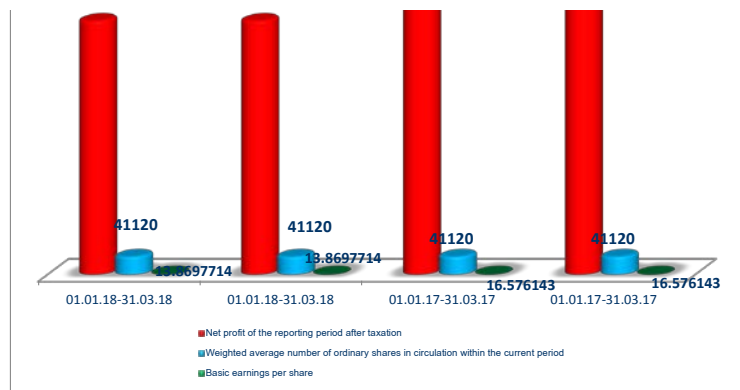
Note 11. Profit Tax Expense

Profit tax expense	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Current tax expense	165,938	165,938	-159,487	-159,487
Adjustments of current tax for previous periods recognized in the given period				
Deferred tax expense				
Total	165,938	165,938	-159,487	-159,487

Note 12. Basic Earnings per Share

Basic Earnings per Share	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Net profit of the reporting period after taxation	570,325	570,325	681,611	681,611
Dividends calculated for the current reporting period as regards preference shares	()	()	()	()
Net gain/loss for the current period attributable to the owners of the ordinary shares				
Weighted average number of ordinary shares in circulation within the current period	41,120	41,120	41,120	41,120
Basic earnings per share	14	14	17	17
Diluted earnings per share				





Note. Other Comprehensive Income

Other Comprehensive Income	01.01.18-31.03.18	01.01.18-31.03.18	01.01.17-31.03.17	01.01.17-31.03.17
Exchange rate differences from recalculation of foreign transactions				
Revaluation of financial assets at fair value through other comprehensive income	228,353	228,353	12,547	12,547
Cash flow hedging				
Gains from PPE revaluations				
Deferred tax expense				
Total	228,353	228,353	12,547	12,547

Note 13. Cash means, Cash Equivalents and Balances with the RA Central Bank

Cash, cash equivalents and balances with the CBA	Reporting period	Previous period
Cash means	5,835,425	4,460,159
Other placements of cash	2,454,102	2,576,781
Correspondent accounts with the CBA *	113,076,120	54,978,114
Total	121,365,647	62,015,054
Deposit accounts with the CBA	5,008,393	50,016,638
Deposited means with the CBA **	120,000	120,000
Accrued interest		
Cash means and balances with the CBA	126,494,040	112,151,692
Standardized precious metal bullions	646,163	115,135
Placements with other banks (Note 14)	19,721,463	9,488,517
Total cash and cash equivalents	130,529,339	65,674,706

* Correspondent accounts with the CBA include funds calculated against amounts involved by the Bank according to the RA bank legislation, subjected to obligatory provisioning

** The deposited amount with CBA represents an insured deposit for settlements realized through ArCa payment system

Note 14. Amounts due from banks and other financial institutions

Current accounts	Reporting period	Previous period
RA banks	2,370	9,941
Banks with BBB – (Baa3) and higher rating	7,103,960	3,325,589
Banks with no rating and rating below BBB-(Baa3)	1,411,199	208,987
Accrued interest	0	0
Total	8,517,529	3,544,517

Interbank loans and deposits, etc.		
CBA		
Loans and deposits		
Factoring		
Financial lease		
Repo (repurchase) agreements		
Swap		
Other		
RA Banks		
Loans and deposits		
Factoring		
Financial lease		
Repo (repurchase) agreements	6,006,512	2,018,473
Swap		
Letters of credit and bank guarantees		
Other		
Banks with BBB – (Baa3) and higher rating		
Loans and deposits	1,922,800	1,923,600
Factoring		
Financial lease		
RA Banks		
RA Banks		
Letters of credit and bank guarantees		
Other		
Banks with no rating and rating below BBB-(Baa3)		
Loans and deposits		
Factoring		
Financial lease		
Repo (repurchase) agreements		
Swap		
Letters of credit and bank guarantees		
Other	3,469,207	2,095,798
Accrued interest	4616	1961
Total	19,920,664	9,584,349
Reserve for possible losses as regards amounts due from Banks (Note 7)	-199,201	-95,832
Net amounts due from banks	19,721,463	9,488,517

Loans and deposits with financial institutions, other amounts due		
RA financial institutions	5,641,874	6,503,214
Loans and deposits	2,646,470	4,400,183
Factoring		
Financial lease		

Repo (repurchase) agreements	2,995,404	2,103,031
Swap		
Letters of credit and bank guarantees		
Other		
Financial institutions with BBB – (Baa3) and higher rating		
Loans and deposits	0	0
Factoring		
Financial lease		
Repo (repurchase) agreements		
Swap		
Letters of credit and bank guarantees		
Other		
Financial institutions with no rating and rating below BBB-(Baa3)	1,376,780	1,329,803
Loans and deposits		
Factoring		
Financial lease		
Repo (repurchase) agreements		
Swap		
Letters of credit and bank guarantees		
Other	1,376,780	1,329,803
Accrued interest	35,607	35,189
Total	7,054,261	7,868,206
Reserve for possible losses as regards amounts due from financial institutions (Note 7)	-70,549	-78,692
Net amounts due from financial institutions	6,983,712	7,789,514
Net amounts due from banks and financial institutions	26,705,175	17,278,031

Note 15. Financial assets at fair value through profit/loss

Government securities	Reporting period	Previous period
RA Government securities, including		
Treasury bonds	19,828,129	24,556,156
Central Bank bonds		
Other		
Government securities of countries with BBB – (Baa3) and higher rating, including		
Treasury bonds		
Central Bank bonds		
Other		
Government securities of countries with no rating and rating below BBB-(Baa3)		
Treasury bonds		
Central Bank bonds		
Other		
Total Government securities	19,828,129	24,556,156

Non-government securities of RA	Listed	Non-Listed	Listed	Non-Listed
Issuer with A-/A3/ and higher rating				
Long term debt instruments				
Short term debt instruments				
Deposit certificates				
Equity instruments				

Other				
Issuer with "C" and higher rating by CBA				
Long term debt instruments				
Short term debt instruments				
Deposit certificates				
Equity instruments				
Other				
Issuer with BBB+/Baa1/ and below rating, other rating and no rating				
Long term debt instruments				
Short term debt instruments				
Deposit certificates				
Equity instruments				
Other				
Total non-government securities of RA held for trading	0	0	0	0

Non-government securities of other countries	Listed	Non-Listed	Listed	Non-Listed
Issuer with A-/A3/ and higher rating				
Long term debt instruments				
Short term debt instruments				
Deposit certificates				
Equity instruments				
Other				
Issuer with BBB+/Baa1/ and below rating, other rating and no rating				
Long term debt instruments				
Short term debt instruments				
Deposit certificates				
Equity instruments				
Other				
Total non-government securities of other countries held for trading	0	0	0	0

Total securities held for trading	19,828,129	24,556,156	0	0
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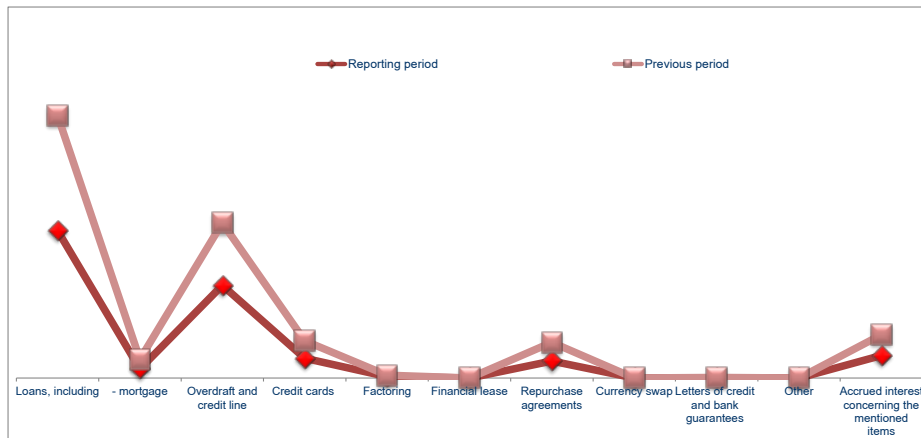
Other financial assets held for trading	Reporting period	Reporting period	Previous period	Previous period
Loans, factoring, accounts receivable				
Borrowers with A-/A3/ or higher rating				
Borrowers with BBB+/Baa1/ and lower rating, other rating and no rating				
- Mortgage				
- Consumer loans				
- Other				
	0		0	
Derivative instruments				
- Futures				
- Forward				

- Option				
- Swap				
- Other				
Total				

Total financial assets held for trading	19,828,129	24,556,156	0	0
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Note 16. Loans and advances to customers at amortized value

Issued loans and other advances	Reporting period	Previous period
Loans, including	206,245,212	201,718,417
- to banks		
- to RA Government		
- to local authorities		
- mortgage	10,326,957	10,614,355
Overdraft and credit line	112,719,641	104,301,142
Credit cards	24,643,336	24,285,245
Factoring	1,563,457	1,568,319
Financial lease	-	-
Repurchase agreements	20,447,216	20,480,316
Currency swap	-	-
Letters of credit and bank guarantees	952,747	567,242
Other		
Accrued interest concerning the mentioned items	30,941,122	29,084,129
Total loans	397,512,731	382,004,810
Reserve for possible losses as regards loans and advances to customers at amortized value (Note 7)	-5,951,947	-5,623,825
Total net loans	391,560,784	376,380,985



Breakdown of Performing and Non-Performing Loans and advances to customers at amortized value as of the End of the Reporting Period

Breakdown of performing and non-performing loans and advances provided to customers		Reporting period	Previous period
Performing loans and advances	Amount	390,625,199	374,687,920
	Quantity	58,703	55,888
Non-Performing loans and advances, including	Amount	6,887,532	7,316,890
	Quantity	1,806	1,797
Overdue	Amount	3,952,237	4,818,421
	Quantity	1,252	1,431
Accrued interests			
Total loans	Amount	397,512,731	382,004,810
	Quantity	60,509	57,685
Provision for possible losses as regards loans and advances to customers at amortized value (Note 7)		-5,951,947	-5,623,825
Total net loans		391,560,784	376,380,985

Analysis of provided loans and advances to customers at amortized value by customer group

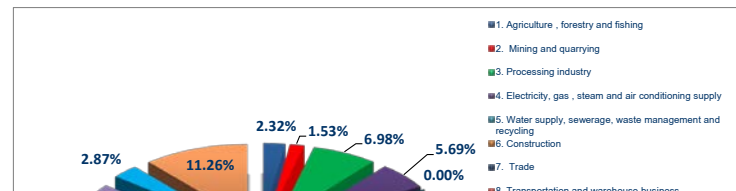
Analysis of the provided loans and advances by customer group		Reporting period	Previous period
State enterprises		24,933,585	25,904,305
Private enterprises, including		286,808,450	273,748,657
- large enterprises		148,723,207	145,250,059
- small and medium enterprises		138,085,243	128,498,598
Natural persons, including		52,858,629	51,238,906
- consumer loans		16,491,793	14,795,188
- mortgage loans		10,309,824	10,597,225
- credit cards		24,744,425	24,467,733
Sole entrepreneurs		1,970,945	2,028,813
Accrued interest		30,941,122	29,084,129
Total loans		397,512,731	382,004,810
Provision for possible losses as regards loans and advances to customers at amortized value		(5,951,947)	(5,623,825)
Total net loans		391,560,784	376,380,985

- a) Total loans provided to major borrowers and related persons as of 31.03.2018 made AMD 161.306.639 thous, as of 31.12.2017 – AMD 163.050.892 thous.
- b) Share in total loan portfolio as of 31.03.2018 made 42.57 %, as of 31.12.2017 – 44.86 %
- c) Percentage to Capital as of 31.03.2018 was 498.33 %, as of 31.12.2017 – 497.25 % :

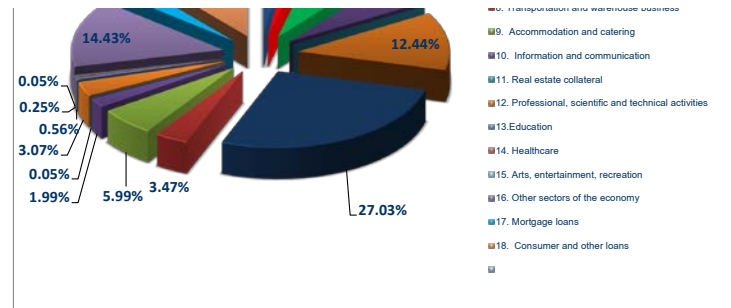
Analysis of loan portfolio according to number of borrowers	Reporting period	Previous period
State enterprises	29	9
Private enterprises	732	365
Natural persons	60,397	45,365
Sole entrepreneurs	163	153
Total	61,321	45,892

Analysis of loan portfolio according to the industry sectors (less the reserve amount for possible losses)

Analysis of loans and advances according to crediting sectors		Reporting period	Percentage
31.03.18			
1. Agriculture , forestry and fishing	8,582,764	2.16	
2. Mining and quarrying	10,897,206	2.74	
3. Processing industry	25,674,651	6.46	
4. Electricity, gas , steam and air conditioning supply	19,765,695	4.97	
5. Water supply, sewerage, waste management and recycling	5,753	0.00	

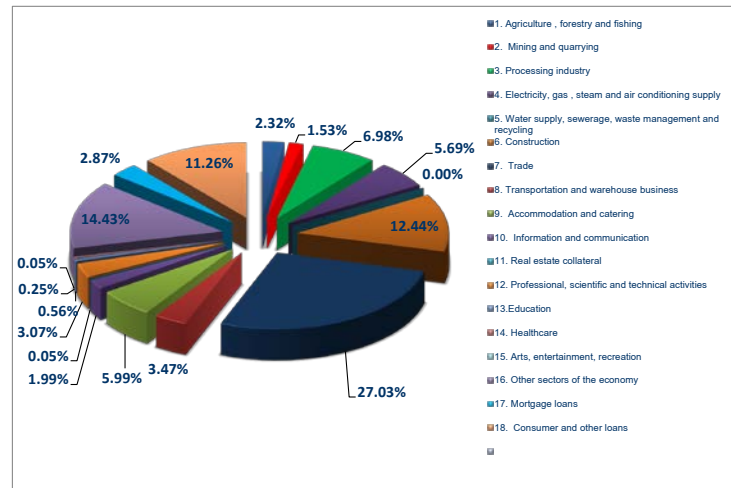


6. Construction	49,726,592	12.51
7. Trade	112,710,829	28.35
8. Transportation and warehouse business	13,124,150	3.30
9. Accommodation and catering	23,863,758	6.00
10. Information and communication	5,900,010	1.48
11. Real estate collateral	173,704	0.04
12. Professional, scientific and technical activities	12,199,463	3.07
13. Education	2,189,096	0.55
14. Healthcare	919,038	0.23
15. Arts, entertainment, recreation	190,155	0.05
16. Other sectors of the economy	55,555,901	13.98
17. Mortgage loans	10,711,560	2.69
18. Consumer and other loans	45,322,406	11.40
Total	397,512,731	100



31.12.17

Analysis of loans and advances according to crediting sectors	Previous period	Percentage
1. Agriculture , forestry and fishing	8,874,560	2.32
2. Mining and quarrying	5,836,444	1.53
3. Processing industry	26,658,975	6.98
4. Electricity, gas , steam and air conditioning supply	21,748,714	5.69
5. Water supply, sewerage, waste management and recycling	8,611	0.00
6. Construction	47,511,463	12.44
7. Trade	103,266,591	27.03
8. Transportation and warehouse business	13,272,715	3.47
9. Accommodation and catering	22,891,412	5.99
10. Information and communication	7,610,670	1.99
11. Real estate collateral	183,843	0.05
12. Professional, scientific and technical activities	11,722,104	3.07
13. Education	2,129,712	0.56
14. Healthcare	966,898	0.25
15. Arts, entertainment, recreation	189,114	0.05
16. Other sectors of the economy	55,126,549	14.43
17. Mortgage loans	10,976,985	2.87
18. Consumer and other loans	43,029,450	11.26
Total	382,004,810	100

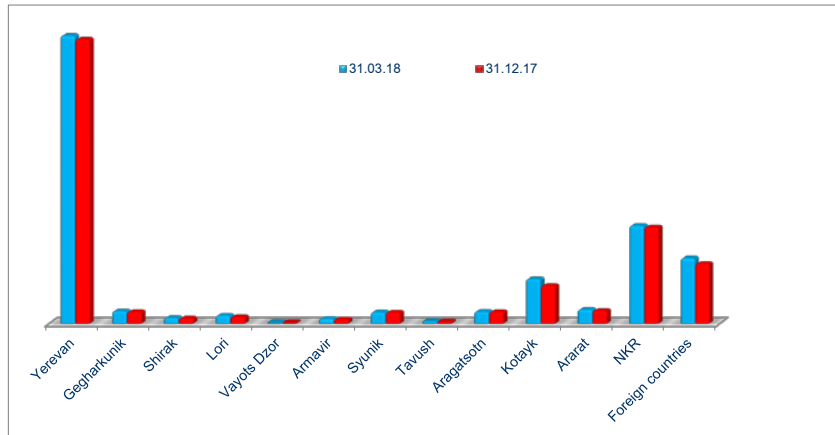


Analysis of the loan portfolio as regards customers' residency

Analysis of the loan portfolio as regards customers' residency	Reporting period	Percentage	Previous period	Percentage
RA residents	346,347,195	88.45	334,868,906	88.97
Non-residents	45,213,589	11.55	41,512,079	11.03
Total	391,560,784	100	376,380,985	100

Region (Marz)	31.03.18		31.12.17	
	Quantity	Amount	Quantity	Amount
Yerevan	15298	197,193,888	15158	194,710,690
Gegharkunik	9362	8,712,054	8338	8,244,789
Shirak	6855	4,086,933	6202	3,858,636
Lori	2960	5,699,980	2869	4,797,513
Vayots Dzor	161	783,026	161	756,433
Armavir	1854	3,561,404	1777	3,113,093

Syunik	1969	7,983,023	1917	7,829,163
Tavush	843	1,891,544	832	1,545,414
Aragatsotn	6071	8,370,968	5925	8,210,347
Kotayk	3858	30,924,322	3805	26,311,411
Ararat	5736	9,743,593	5336	9,134,353
NKR	5493	67,396,460	5325	66,357,064
Foreign countries	49	45,213,589	40	41,512,079
Total	60,509	391,560,784	57,685	376,380,985



Note 17. Financial assets at fair value through other comprehensive income

State securities	Reporting period	Previous period
State obligations	10,975,016	14,775,495
Treasury obligations	10,975,016	14,775,495
Central Bank obligations		
Promissory note		
State obligations of countries with BBB-/Baa3/ or higher rating		
Treasury obligations		
Central Bank obligations		
Other		
State securities of countries with BB+/Ba1/ or below rating or no rating		
Treasury obligations		
Central Bank obligations		
Other		
Possible loss reserve for promissory notes (Note 7)		
Total state securities	10,975,016	14,775,495

Non-state securities of RA	listed	unlisted	listed	unlisted
Issuer with A-/A3/ or higher rating				
Long term debt instruments				
Short term debt instruments				
Deposit certificates				
Equity instruments				

Other				
Issuer with "C" and higher rating by CBA				
Long term debt instruments				
Short term debt instruments				
Deposit certificates				
Equity instruments				
Other				
Issuer with BBB+/Baa1/ or below rating, other rating or no rating				
Long term debt instruments		1,830,897		1,625,584
Short term debt instruments				
Deposit certificates				
Equity instruments				
Other				
Total non government securities of RA	0	1,830,897	0	1,625,584

Non-state securities of other countries	<i>listed</i>	<i>unlisted</i>	<i>listed</i>	<i>unlisted</i>
Issuer with A-/A3/ or higher rating				
Long term debt instruments				
Short term debt instruments				
Deposit certificates				
Equity instruments				
Other				
Issuer with BBB+/Baa1/ or below rating, other rating or no rating				
Long term debt instruments				
Short term debt instruments				
Deposit certificates				
Equity instruments				
Other				
Total non government securities of other countries	0	0	0	0

Total securities available for sale	12,805,913	16,401,079		
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Other financial assets available for sale				
Loans, factoring, amounts receivable				
Borrowers with A-/A3/ or higher rating				
Borrowers with BBB+/Baa1 and below rating, other rating and no rating				
Mortgage loans				
Consumer loans				
Other				
Total	0	0	0	0

Total financial assets available for sale	12,805,913	16,401,079		
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Investments in other persons' share capital

Reporting period

Company name	Main activity	Country of registration	Investment date	Invested amount (thous. drams)	Share
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1. Armenian Card CJSC	Payment and settlement services	RA	20.10.06	12143	2.00
2."ACRA Credit Reporting" CJSC	Payment and settlement services	RA	22.11.07	19845	4.0003
3. SWIFT	Payment and settlement services	Belgium	23.04.12	15170	0.00005
Total				47,158	6
Impairment of investments in other companies share capital (reserve for possible losses) (Note 7)					
Total				47,158	

Previous period

Company name	Main activity	Country of registration	Investment date	Invested amount ¥(thous. drams)	Share
1. Armenian Card CJSC	Payment and settlement services	RA	20.10.06	12143	2.00
2."ACRA Credit Reporting" CJSC	Payment and settlement services	RA	22.11.07	19845	4.0003
3. SWIFT	Payment and settlement services	Belgium	23.04.12	15170	0.00005
Total				47,158	6
Impairment of investments in other companies share capital (reserve for possible losses) (Note 7)					
Total				47,158	

	Reporting period	Previous period
Total financial assets available for sale and investments in other companies' share capital	12,853,071	16,448,237

Note 18. Other financial assets at amortized value

Government securities	Reporting period	Previous period
RA state bonds including		
T-bonds		
Bonds of Central bank		
Other		
Government securities of countries with BBB-/Baa3/ or higher rating, including		

T-bonds		
Bonds of Central bank		
Other		
State securities of countries with BB+/Ba1/ or below rating or no rating, including		
T-bonds		
Bonds of Central bank		
Other		
Accrued interest		
Total		

Non-government securities of RA	<i>listed</i>	<i>unlisted</i>	<i>listed</i>	<i>unlisted</i>
Issuer with A-/A3/ or higher rating, including				
- long term debt instruments				
- short term debt instruments				
- deposit certificates				
- other				
Issuer having "C-" and higher rating from CBA, including	0	0	0	
- long term debt instruments				
- short term debt instruments				
- deposit certificates				
- other			0	
Issuer with BBB+/Baa1/ and lower rating, other rating and no rating, including				
- long term debt instruments				
- short term debt instruments				
- deposit certificates				
- other				
Accrued interest				
Total	-	-	-	-

Non-government securities of other countries	<i>listed</i>	<i>unlisted</i>	<i>listed</i>	<i>unlisted</i>
Issuer with A-/A3/ or higher rating, including				
- long term debt instruments				
- short term debt instruments				
- deposit certificates				
- other				
Issuer with BBB+/Baa1/ and lower rating, other rating and no rating, including				
- long term debt instruments				
- short term debt instruments				
- deposit certificates				
- other				
Accrued interest				
Total	-	-	-	-

Impairment of investments held to maturity (reserve for possible losses) (Note 7)				
Net investments in financial assets held to maturity	0		0	0

Note 20. Property, Plant, Equipment and Intangible Assets

Property, plant and equipment

Title	Buildings	Computer & communication means	Vehicles	Other PPE	Capital investments as regards PPE	Capital investments as regards leased PPE	Total
Initial cost							
Balance at the beginning of the previous period	8,331,594	3,482,535	231,570	1,860,698	-	204,175	14,110,572
Increase	29,020	361,485	63,856	361,690	-	96,861	912,912
Disposal			-				-
Write-off	219,178		78,407	112			297,697
Revaluation							
Depreciation adjustment from revaluation							-
Balance at the end of the previous period	8,141,436	3,844,020	217,019	2,222,276	-	301,036	14,725,787
Increase	2,393,031	13,969	48,652	976,951	-	375	3,432,978
Disposal			-				-
Revaluation*							-
Write-off		93,410	47,224	47,307			187,941
Depreciation adjustment from revaluation							-
Balance at the end of the reporting period	10,534,467	3,764,579	218,447	3,151,920	-	301,411	17,970,824
Accumulated depreciation							
Balance at the beginning of the previous period	872,427	2,417,005	186,344	1,348,738	-	29,062	4,853,576
Increase	301,400	322,559	13,831	166,515		6,778	811,083
Disposal							
Depreciation adjustment from revaluation							
Write-off	3,402		73,754	112			77,268
Balance at the end of the previous period	1,170,425	2,739,564	126,421	1,515,141	-	35,840	5,587,391
Increase	74,548	(25,851)	(18,980)	(22,950)		2,086	8,853
Disposal							
Depreciation adjustment from revaluation							
Write-off							-
Balance at the end of the reporting period	1,244,973	2,713,713	107,441	1,492,191	-	37,926	5,596,244
Net carrying amount							
End of reporting period	9,289,494	1,050,866	111,006	1,659,729	-	263,485	12,374,580
End of previous period	6,971,011	1,104,456	90,598	707,135	-	265,196	9,138,396

Intangible Assets

	Software	Licenses	Copyright	Other intangible assets	Capital investments as regards intangible assets	Total
Initial cost						
Balance at the beginning of the previous period	264,024	2,338,577	-	135,806	4,847	2,743,254
Increase	5,000	434,109		-	-	439,109
Disposal						-
Impairment						-
Revaluation						-
Written off		2,513				2,513
Balance at the end of previous period	269,024	2,770,173	-	135,806	4,847	3,179,850

Increase	-	13,757		-	-	13,757
Disposal						-
Revaluation*						-
Impairment						-
Written off						-
Balance at the end of the reporting period	269,024	2,783,930	-	135,806	4,847	3,193,607
<i>Accumulated amortization</i>						
Balance at the end of previous period	27,935	288,898		3,494	-	320,327
Increase	13,897	139,904		5,636		159,437
Disposal						-
Impairment		2,513				2,513
Revaluation						-
Balance at the end of previous period	41,832	426,289	-	9,130	-	477,251
Increase	42,875	71,429		4,144		118,448
Disposal						-
Depreciation adjustment from revaluation						-
Revaluation						-
Balance at the end of the reporting period	84,707	497,718	-	13,274	-	595,699
Net carrying amount						
End of reporting period	184,317	2,286,212	-	122,532	4,847	2,597,908
End of previous period	227,192	2,343,884	-	126,676	4,847	2,702,599

Note 21. Deferred tax assets

Deferred tax assets movement	Reporting period	Previous period
Balance at the beginning of the period		0
Increase		
Decrease		0
Balance at the end of the period	-	-

Note 22. Other Assets

Amounts receivable from bank transactions	Reporting period	Previous period
Dividends receivable	0	0
Amounts receivable from trust management transactions	0	0
Amounts receivable from other transactions	1,589,736	1,213,728
Total	1,589,736	1,213,728
Reserve for possible losses as regards bank transactions (Note 7)	-23,030	-18,647
Net amounts receivable from bank transactions	1,566,706	1,195,081

Accounts receivable and prepayments	Reporting period	Previous period
Receivables as regards budget	20	59
Receivables as regards suppliers		
Advance payments to the employees	331	30
Advance payments to the suppliers	814,335	1,209,708
Advance payments and overpayments as regards budget and mandato	118,074	0
Other receivables and prepayments	10,117,328	10,398,503
Total	11,050,088	11,608,300
Reserve for possible losses as regards other assets (Note 7)	-484,788	-496,145
Total	10,565,300	11,188,611
Other assets		
Warehouse	375,439	389,360

Seized collateral	3,766,183	3,716,481
Future period expenses	30,891	22,648
Other assets	256,799	136,502
Reserve for possible losses as regards other assets (Note 7)	-2,872	-1,593
Total	4,426,440	4,263,398
Total other assets	16,558,446	16,570,634

Note 23. Amounts due to banks and other financial institutions

Current accounts	Reporting period	Previous period
RA Banks	1,791,287	223,482
Banks with BBB-(Baa3) and higher rating	0	
Banks with rating below BBB-(Baa3) and no rating	454,428	324,846
Accrued interest		
Total	2,245,715	548,328
Interbank loans, deposits and other demands		
RA Central Bank		
Loans*	20,970,413	21,184,523
Repo (repurchase) agreements	18,999,998	36,899,981
Swap		
Other		
RA Banks		
Loans and deposits	8,641,052	8,713,793
Financial leasing		
Repo (repurchase) agreements	0	0
Swap	0	0
Other	0	0
BBB-(Baa3) and higher rating banks		
Loans and deposits		
Financial leasing		
Repo (repurchase) agreements		
Swap		
Other		
BBB-(Baa3) and lower rating and no rating banks		
Loans and deposits	7,680,928	0
Financial leasing		
Repo (repurchase) agreements		
Swap	0	0
Other	1,986,054	160,245
Accrued interest	590,856	474,522
Total	58,869,301	67,433,064
Financial institutions		
Current accounts	1,343,773	480,224
Loans and deposits	28,420,432	29,230,834
Repo (repurchase) agreements		
Swap		
Other	3,066	4,824
Accrued interest	811,792	865,336
Total	30,579,063	30,581,218
Total amounts due to banks and other fin. institutions	91,694,079	98,562,610

As of 31.03.2018, loans received from the Central Bank of Armenia also include loan amounts attracted under international loan programs totaling AMD 20.970.413 thous. And accrued interest amounts AMD 530.721 thous.

Note 24. Amounts due to customers

Amounts due to RA government and local self-managed authorities	Reporting period	Previous period
Current accounts	108,506	89,742
Time deposits		
Loans	454,017	553,276
Repo (repurchase) agreements		
Swap		
Other	41,126	47,979
Accrued interest	1,595	1,955
Total	605,244	692,952
Legal entities and institutions of RA (residents)		
Current accounts	39,575,582	46,088,823
Time deposits	61,431,109	47,603,643
Repo (repurchase) agreements	0	995,082
Swap		
Other	6,534,512	4,000,822
Accrued interest	622,026	445,408
Total	108,163,229	99,133,778
Legal entities and institutions (non-residents)		
Current accounts	42,413,191	18,766,874
Time deposits	2,676,021	2,967,099
Repo (repurchase) agreements		
Swap		
Other	1,545,043	49,085
Accrued interest	22,757	8,050
Total	46,657,012	21,791,108
Sole entrepreneurs of RA (residents)		
Current accounts	189,116	261,690
Time deposits		
Repo (repurchase) agreements		
Swap		
Other		
Accrued interest		
Total	189,116	261,690
Sole entrepreneurs (non-residents)		
Current accounts	62	54
Time deposits		
Repo (repurchase) agreements		
Swap		
Other		
Accrued interest		
Total	62	54
Individuals (residents)		
Current accounts	17,698,129	16,755,561
Time deposits	255,626,268	247,267,642
Repo (repurchase) agreements		
Swap		
Other	179,058	159,410
Accrued interest	2,777,202	2,324,506
Total	276,280,657	266,507,119
Individuals (non-residents)		

Current accounts	3,793,111	3,480,499
Time deposits	7,967,087	9,285,925
Repo (repurchase) agreements		
Swap		
Other	0	0
Accrued interest	73,658	57,359
Total	11,833,856	12,823,783
Total liabilities to customers	443,729,176	401,210,484

The amount of the security of liabilities totaled: as at 31.12.2017 - AMD 22.671.881 thous., as at 31.03.2018 - AMD 17.870.819 thous.

2. Term liabilities to government include amounts involved from international financial organizations within RAED (Rural Areas Economic Development) program and Millennium Challenge Account program, which totaled AMD 454.017 thous., accrued interest AMD 1.595 thous.

The structure of Bank depositors' (time deposits) by customers number

	Reporting period	Previous period
Legal entities residents	139	78
Legal entitie non- residents	5	7
Individuals residents	30,404	21,164
Individuals non-residents	393	271
Total	30,941	21,520

Note 25. Securities issued by Bank

Securities issued by Bank	Reporting period	Previous period
Fixed-Income securities	11,371,778	8,967,294
Total	11,371,778	8,967,294

Note 26. Liabilities at fair value through profit or loss

Liability held for trading	Reporting period	Previous period
Derivative instruments held for trading purposes		
Futures		
Forward		
Option		
Swap		
Other		
Hedging derivative instruments		
Other	19,828,129	24,556,156
Total	19,828,129	24,556,156

Note 27. Amounts payable

Amounts payable	Reporting period	Previous period
Dividends		
Trust management agreements		
Deposits insurance	246,412	292,030
Other		
Total	246,412	292,030

Note 28. Deferred tax liabilities

Deferred tax liabilities movements	Reporting period	Previous period
Balance at the beginning of the period	627,829	474,159
Increase		153,670
Decrease		
Balance at the end of the period	627,829	627,829

Note 29. Other liabilities

Other liabilities	Reporting period	Previous period
Settlement liabilities as regards cheques and other payment	0	0
Settlement liabilities as regards letters of credit		
Other settlements		
Payables as regards budget		
Profit Tax	462,150	296,211
VAT	7,196	29,830
other taxes and dues	252,255	298,768
social insurance payments	0	0
Liabilities to employees as regards salary	330,871	283,574
Payables as regards suppliers	147,016	165,050
Payables as regards completion of chartered capital		
Other liabilities	2,548	2,294
Balance at the end of period	1,202,036	1,075,727

Note 30. Chartered capital

- a) Bank's chartered capital registered and fully paid – AMD 31.374.560 thous.
b) The number of issued and allocated ordinary shares - 41.120, nominal value – AMD 763.000
c) Major participants as of the end of the reporting period

Major participant	Amount of participation	Share %	Type of activity (for legal entities)
Vitaly Grigoryants	31,374,560	100	Individual
	31,374,560		

Note 32. Revaluation and remeasurement reserves, other components of equity
"Revaluation and remeasurement reserves"**Components:**

Revaluation reserves	Reporting period	Previous period
Unrealized gain/loss from revaluation of investments for sale	2,237,355	2,009,002
Fixed assets revaluation reserve	471,422	471,422
Other reserves		
Total revaluation reserves	2,708,777	2,480,424

Other components of equity**Reserves**

Other reserves	Reporting period	Previous period
Main reserve		
Opening balance	691,167	638,508
Increase		52,659
Decrease		
Closing balance	691,167	691,167

Note 33. Retained earnings

Retained profit	Reporting period	Previous period
Opening balance	4,888,086	2,807,725
Increase	570,325	2,133,020
Decrease		52,660
Closing balance	5,458,411	4,888,086

Bank's chartered capital was increased by AMD 8.467.060 in 2016, including AMD 4.461.520 from the retained earnings of the previous periods.

Note 34. Reserves, contingencies and potential liabilities

Reserves		Reporting period	Previous period
Opening balance	Note 7	615,498	655,706
Allocations to the reserve		219,856	207,373
Use of reserve		(149,411)	(247,581)
Net allocations to the reserve		70,445	(40,208)
Closing balance		685,943	615,498

Bank's legal liabilities

The Bank carries out its activity within the requirements prescribed by legislation and needs no additional reserves as regards its legal liabilities.

Bank's tax liabilities

The Bank has met its tax obligations and needs no additional reserves as regards its tax liabilities.

Bank's contingent liabilities as regards off-balance items containing credit risk

	Reporting period	Previous period
Unused credit lines	24,889,953	21,049,256
Guarantees provided	39,021,770	35,968,014
Letters of credit issued	1,304,683	1,279,062
Reserve as regards the mentioned items (Note 7)	(685,943)	(615,498)
Closing balance	64,530,463	57,680,834

Bank's liability as regards operating lease

The leased premises are as follows:

Yerevan - Artsakh Branch

Talin - Talin Branch
 Yerevan - Hayreniq Branch
 Stepanakert - Khachen Branch
 Yerevan - Arshakuni Branch
 Masis - Masis Branch
 Ashtarak - Ashtarak Branch
 Gavar - Gavar Branch
 Yerevan - Komitas Branch
 Artik - Artik Branch
 Sevan - Sevan Branch
 Martuni - Alashkert Branch
 Artashat - Artashat Branch
 Yerevan - Arabkir Branch
 Yerevan - Avan Branch
 Yerevan - Aparan Branch
 Yerevan - Charbakh Branch
 Yerevan - Araratyan Branch
 Yerevan - Teryan Branch
 Yerevan - Yerevan Branch
 Yerevan - Tashir Branch
 Hrazdan - Hrazdan Branch
 Yerevan - Qajaznuni Branch
 Yerevan - Nor Aresh Branch
 Yerevan - Nor Avan Branch
 Yerevan - Davtashen Branch
 Yerevan - Noragavit Branch

The structure of future total minimum lease amounts payable for operating lease

thous. drams

The structure of minimum lease payments	Amounts payable in drams equivalent to foreign currency	Amounts payable in drams
Up to 1 year		243,708
1-5 years		836,352
5-10 years		940,371
Total		2,020,430

Note 35. Related party transactions

The related party transactions were conducted according to the market terms and interest rates.

Loans and advances to customers	Reporting period	Previous period
	01.01.18-31.03.18	01.01.17-31.12.17
Balance as of 01 January	6,266,753	2,846,673
Loans and advances provided during the year	6,201,864	8,788,896

Loans and advances repaid during the year	2,030,107	5,368,816
Balance	10,438,510	6,266,753
Interest income	229,500	628,191

The loans have been provided to the Bank's management and their related parties

Amounts due to customers	Reporting period	Previous period
	01.01.18-31.03.18	01.01.17-31.12.17
Balance as of 01 January	14,852,072	4,611,136
Amounts received during the year	45,429,401	105,245,317
Amounts paid during the year	43,848,144	95,004,381
Balance	16,433,329	14,852,072
Interest expense	379,736	993,545

Salary and equivalent payments to the Bank's management	Reporting period	Previous period
	01.01.18-31.03.18	01.01.17-31.12.17
The Board		
Salary	24,204	96,816
bonus		
Executive body		
Salary	50,620	197,848
bonus	100	18,937
Internal audit		
Salary	13,916	57,042
bonus	100	4,750
Total	88,940	375,393

Note 36. Minimal disclosures concerning financial risks

1. Credit risk

The main objective of credit risks management for the Bank is the timely (sometimes even before provision of the loan) identification, valuation and realization of corresponding steps directed to their reduction.

The Bank evaluates the credit risk in relation of both each borrower and the whole loan portfolio.

According to the methodology developed by the Bank, the creditworthiness of the potential borrower is assessed before provision of the loan. From the viewpoint of prevention of the credit risk, the most important principles to follow are considered to be the security and purpose of the loan. After provision of the loan, monitoring is conducted by the Bank during the whole period of the loan agreement to regularly assess the borrower's solvency and the loan's security as well as to take corresponding measures for restricting the possible credit risk.

Also the Bank's overall loan portfolio is subjected to regular analysis by industry branches, customers, and loan types to ensure the portfolio diversification and quality. Intra-bank normatives restricting credit risk (maximum risk as regards an industry branch, maximum overall loan risk, maximum risk per individual loan types as regards loan portfolio quality, maximum risk as regards a borrower, maximum risk as regards the major borrowers, maximum risk as regards a person related to the Bank, maximum risk as regards all persons related to the Bank, etc.) are established by the corresponding internal legal acts approved by the Bank Board (these normatives are more severe than the corresponding normatives established by the RA Central Bank).

The Bank considers activity of the Loan committee as very important for the containment of credit risk. Loan committee is the body to realize the Bank's credit policy, the purpose of which is management of the Bank's loan activity and formation of the quality loan portfolio. The main objective of the loan committee is making collective professional protocol or final decisions concerning realization and servicing of transactions containing credit risk.

2. Geographical concentrations

31.03.2018

Title	RA	CIS countries	OECD* Countries	Non OECD Countries	Total
Assets					
Cash and balances with CBA	126,494,040				126,494,040
Amounts due from banks and other financial institutions	11,650,998	6,953,662	6,545,000	1,555,515	26,705,175
Financial instruments held for trading	19,828,129				19,828,129
Loans and advances to customers	346,347,195	854,174	787,604	43,571,811	391,560,784

Securities available for sale	12,837,901		15,170		12,853,071
Securities held to maturity					-
Other assets	12,724,342	44,017	225,026	3,565,061	16,558,446
Total assets	529,882,605	7,851,853	7,572,800	48,692,387	593,999,645
Liabilities					-
Amounts due to banks and other financial institutions	80,860,540	9,665,894	690	1,166,955	91,694,079
Amounts due to customers	385,238,246	5,467,330	5,447,832	47,575,768	443,729,176
Financial liability held for trading	19,828,129				19,828,129
Other liabilities	1,189,122		12,914		1,202,036
Total liabilities	487,116,037	15,133,224	5,461,436	48,742,723	556,453,420
Net position	42,766,568	(7,281,371)	2,111,364	(50,336)	37,546,225

31.12.2017

Title	RA	CIS countries	OECD* Countries	Non OECD Countries	Total
Assets					
Cash and balances with CBA	112,151,692				112,151,692
Amounts due from banks and other financial institutions	8,634,061	3,620,986	3,007,646	2,015,338	17,278,031
Financial instruments held for trading	24,556,156				24,556,156
Loans and advances to customers	334,861,601	859,403	776,099	39,883,882	376,380,985
Securities available for sale	16,433,067		15,170		16,448,237
Securities held to maturity					-
Other assets	12,555,815	46,838	145,388	3,822,593	16,570,634
Total assets	509,192,392	4,527,227	3,944,303	45,721,813	563,385,735
Liabilities					-
Amounts due to banks and other financial institutions	98,075,646	161,996		324,968	98,562,610
Amounts due to customers	366,595,538	3,924,560	5,033,991	25,656,395	401,210,484
Financial liability held for trading	24,556,156				24,556,156
Other liabilities	1,060,235		15,491	1	1,075,727
Total liabilities	490,287,575	4,086,556	5,049,482	25,981,364	525,404,977
Net position	18,904,817	440,671	(1,105,179)	19,740,449	37,980,758

OECD * - Organization for Economic Cooperation and Development

Analysis of assets containing credit risk according to industrial branches and exposure

31.03.2018

Assets	Working assets		Non-working assets		
	Standard/Non-risky	Controlled/Risky	Non-standard/ Medium risky	Doubtful/ Highly risky	Bad

Loans and advances, including		386,593,626	3,000,288	857,535	1,109,335
		58,703	1,284	295	227
1. Agriculture , forestry and fishing	amount	8,176,110	247,818	9,538	15,313
	number	714	10	3	3
2. Mining and quarrying	amount	10,788,234			
	number	28			
3. Processing industry	amount	25,282,646	119,832		380
	number	68	4		1
4. Electricity, gas , steam and air conditioning supply	amount	19,568,038			
	number	43			
5. Water supply, sewerage, waste management and recycling	amount	5,696			
	number	3			
6. Construction	amount	47,793,885	154,825	27,137	619,498
	number	159	1	2	3
7. Trade	amount	111,007,778	320,482	168,502	
	number	313	13	1	
8. Transportation and warehouse business	amount	12,892,597	91,192		
	number	31	1		
9. Accommodation and catering	amount	23,605,674	16,506		521
	number	81	3		1
10. Information and communication	amount	5,841,010			
	number	13			
11. Real property buisness	amount	171,967			
	number	8			
12. Professional, scientific and technical activities	amount	12,073,763	3,369		
	number	18	1		
13. Education	amount	2,166,099	743	81	95
	number	408	2	1	2
14. Healthcare	amount	909,848			
	number	23			
15. Arts, entertainment, recreation	amount	188,148		86	
	number	14		1	
16. Other branches of economy	amount	54,970,204	27,394		

	number	49	1		
17. Mortgage loans	amount	10,265,807	219,150	60,537	11,363
	number	1,860	64	16	7
18. Consumer and other loans	amount	40,886,122	1,798,977	591,654	462,165
	number	54,870	1,184	271	210
Receivables	amount	21,775,732	5,543	5,009	1,946
	number	10,758	495	295	275
Investment securities	amount	47,158			
	number	3			
Off-balance sheet items	amount	64,478,349	24,666	26,301	1,148
	number	11,880	53	9	8
including guarantees	amount	38,610,706	951		
	number	385	1		
letters of credit	amount	1,291,636			
	number	1			

31.12.2017

Assets	Working assets		Non-working assets		
	Standard/Non-risky	Controlled/Risky	Non-standard/ Medium risky	Doubtful/ Highly risky	Bad
Loans and advances, including	370,822,831	2,380,684	2,657,263	520,207	
	55,888	1,207	347	243	
1. Agriculture , forestry and fishing	amount	8,465,622	243,832	25,159	7,322
	number	723	13	3	3
2. Mining and quarrying	amount	5,760,852			8,701
	number	22			1
3. Processing industry	amount	26,391,428			484
	number	83			1
4. Electricity, gas , steam and air conditioning supply	amount	21,531,227			
	number	43			
5. Water supply, sewerage, waste management and recycling	amount	8,525			
	number	3			
6. Construction	amount	45,615,740	186,424	983,405	
	number	134	3	3	
7. Trade	amount	101,854,033	148,890	165,012	600
	number	318	6	2	1
8. Transportation and warehouse business	amount	13,037,925	91,192		885
	number	32	1		1
9. Accommodation and catering	amount	21,453,439		926,186	1,042
	number	82		1	1
10. Information and communication	amount	7,534,564			
	number	15			
11. Real property buisness	amount	182,004			
	number	7			

12. Professional, scientific and technical activities	amount	11,604,883				
	number	17				
13. Education	amount	2,108,123	88	158		
	number	408	1	2		
14. Healthcare	amount	957,229				
	number	19				
15. Arts, entertainment, recreation	amount	186,586	579			
	number	13	1			
16. Other branches of economy	amount	54,575,285				
	number	52				
17. Mortgage loans	amount	10,605,218	155,402	48,805	15,144	
	number	1,923	38	13	5	
18. Consumer and other loans	amount	38,950,148	1,554,277	508,538	486,029	
	number	51,994	1,144	323	230	
Receivables	amount	17,096,993	10,386	3,062	6,122	
	number	10,167	373	297	360	
Investment securities	amount	47,148				
	number	3				
Off-balance sheet items	amount	57,647,259	24,197	3,952	5,426	
	number	12,774	39	15	5	
including guarantees	amount	35,588,534		73,015		
	number	354		1		
letters of credit	amount	1,266,271				
	number	1				

Analysis of credit portfolio according to regions and risk exposure

31.12.17

Loans and advances, including	Working assets		Non-working assets		
	Standard/Non-risky	Controlled/Risky	Non-standard/ Medium risky	Doubtful/ Highly risky	Bad
Loans, including					
1. Residents of RA	329,479,570	2,376,524	2,492,605	520,207	
2. Non-residents	41,343,261	4,160	164,658		
Total	370,822,831	2,380,684	2,657,263	520,207	

Loans to non-residents 31.12.17

Assets	Working assets		Non-working assets		
	Standard/Non-risky	Controlled/Risky	Non-standard/ Medium risky	Doubtful/ Highly risky	Bad
Loans and advances, including	41,343,261	4,160	164,658	-	
	36	3	1	-	
1. Agriculture, forestry and fishing	amount				
	number				
2. Mining and quarrying	amount				
	number				
3. Processing industry	amount				
	number				

4. Electricity, gas, steam and air conditioning supply	amount				
	number				
5. Water supply, sewerage, waste management and recycling	amount				
	number				
6. Construction	amount	212,489			
	number	1			
7. Trade	amount	40,919,578		164,658	
	number	11		1	
8. Transportation and warehouse business	amount				
	number				
9. Accommodation and catering	amount				
	number				
10. Information and communication	amount				
	number				
11. Real property business	amount				
	number				
12. Professional, scientific and technical activities	amount				
	number				
13. Education	amount				
	number				
14. Healthcare	amount				
	number				
15. Arts, entertainment, recreation	amount				
	number				
16. Other branches of economy	amount				
	number				
17. Mortgage loans	amount	1,933			
	number	2			
18. Consumer and other loans	amount	209,261	4,160		
	number	22	3		

31.03.2018

Assets	Working assets		Non-working assets		
	Standard/Non-risky	Controlled/Risky	Non-standard/ Medium risky	Doubtful/ Highly risky	Bad
Loans, including					
1. Residents of RA	341,570,215	2,981,228	686,417	1,109,335	
2. Non-residents	45,023,411	19,060	171,118		
Total	386,593,626	3,000,288	857,535	1,109,335	

Loans to non-residents 31.03.2018

Assets	Working assets		Non-working assets		
	Standard/Non-risky	Controlled/Risky	Non-standard/ Medium risky	Doubtful/ Highly risky	Bad
Loans and advances, including	45,023,411	19,060	171,118	-	
	45	2	2	-	
1. Agriculture, forestry and fishing	amount				
	number				
2. Mining and quarrying	amount				
	number				
3. Processing industry	amount				
	number				
4. Electricity, gas, steam and air conditioning supply	amount				
	number				

5. Water supply, sewerage, waste management and recycling amount					
number					
6. Construction amount	128,961				
number	1				
7. Trade amount	44,579,107		168,502		
number	12		1		
8. Transportation and warehouse business amount					
number					
9. Accommodation and catering amount					
number					
10. Information and communication amount					
number					
11. Real property business amount					
number					
12. Professional, scientific and technical activities amount					
number					
13. Education amount					
number					
14. Healthcare amount					
number					
15. Arts, entertainment, recreation amount	3,472				
number	1				
16. Other branches of economy amount					
number					
17. Mortgage loans amount	1,614				
number	2				
18. Consumer and other loans amount	310,257	19,060	2,616		
number	29	2	1		

Loan portfolio indicators as of 31.03.2018

Non-performing loans/ total loans 1.82%

Reserve for non-performing loans/total capital 4.77%

Loan reserve /total loans 1.52 %

Possible loss reserve/Non-performing loans 83.71%

Large amount advances/capital 498.33%:

Market risk

Currency risk

For the purposes of currency risk assessment, the Bank applies the VaR (Value at Risk) model well accepted in the international practice. The model ensures definite probability forecast of expected maximum currency fluctuation rate by calculating the maximum value of the Bank eventual losses. For the purposes of currency risk suppression the Bank carried out daily monitoring of currency positions. In the occurrence of open currency positions, the Bank applies hedging instruments for the purposes of risk avoidance.

The Bank's foreign currency risk analysis according to financial assets and liabilities

31.03.2018

	Drams	I group foreign currency*	II group foreign currency**	Total
Assets				
Cash and balances with CBA	71,294,655	54,698,976	500,409	126,494,040
Standardized precious metal bullions		646,163		646,163
Amounts due from banks and other financial institutions	10,633,337	11,857,302	4,214,536	26,705,175

Financial instruments kept for trading	19,828,129			19,828,129
Loans and advances to customers	160,413,589	228,683,179	2,464,016	391,560,784
Financial assets available for sale	12,131,130	721,941		12,853,071
Financial assets held to maturity				-
Other	10,588,543	5,450,098	519,805	16,558,446
Total assets	284,889,383	302,057,659	7,698,766	594,645,808
Liabilities				
Amounts due to banks and other financial institutions	69,052,462	22,044,516	597,101	91,694,079
Amounts due to customers	169,718,752	266,910,815	7,099,609	443,729,176
Securities issued by the bank	102,725	11,269,053		11,371,778
Liabilities at fair value through profit or loss	19,828,129			19,828,129
Other liabilities	1,172,486	29,550		1,202,036
Total liabilities	259,874,554	300,253,934	7,696,710	567,825,198
Net position	25,014,829	1,803,725	2,056	26,820,610

31.12.2017

	Drams	I group foreign currency*	II group foreign currency**	Total
Assets				
Cash and balances with CBA	96,953,225	14,720,925	477,542	112,151,692
Standardized precious metal bullions		115,135		115,135
Amounts due from banks and other financial institutions	6,766,970	5,575,206	4,935,855	17,278,031
Financial instruments kept for trading	24,556,156			24,556,156
Loans and advances to customers	149,179,580	225,406,985	1,794,420	376,380,985
Financial assets available for sale	15,954,198	494,039		16,448,237
Financial assets held to maturity				-
Other	11,189,290	5,373,188	8,156	16,570,634
Total assets	304,599,419	251,685,478	7,215,973	563,500,870
Liabilities				
Amounts due to banks and other financial institutions	87,771,546	10,495,411	295,653	98,562,610
Amounts due to customers	163,503,159	230,770,473	6,936,852	401,210,484
Securities issued by the bank	102,784	8,864,510		8,967,294
Liabilities at fair value through profit or loss	24,556,156			24,556,156
Other liabilities	1,010,535	65,192		1,075,727
Total liabilities	276,944,180	250,195,586	7,232,505	534,372,271
Net position	27,655,239	1,489,892	(16,532)	29,128,599

* The 1st group foreign currencies include US Dollar, Euro, English Pound sterling, Swiss Franc, Gold metal account

** The 2nd group foreign currencies include Russian Rouble, Ukrainian Hryvnia, UAE Dirham, Singapur Dollar.

Analysis of the Bank's Foreign Currency risk according to the types of derivative financial instruments

Types of derivative financial instruments	Drams	I group foreign currency*	II group foreign currency**	Total
Futures instruments				
- liabilities				
- demands				
Forward instruments				
- liabilities				
- demands				
Options				
- liabilities				
- demands				
Swaps				
- liabilities				

- demands				
Other derivative instruments				
- liabilities				
- demands				
Net position according to the derivative financial instruments	-	-	-	-
Net open position*	-	-	-	-

Interest rate risk

Efficient assets and liabilities management also assumes a management of assets and liabilities as a result of which the Bank will to the extent possible avoid interest rate risk.

The objective of the interest rate risk management at the Bank is to maintain the target levels of the assets and liabilities interest rate spread and net interest margin.

For the interest rate risk management purposes, the Bank makes calculations on the monthly basis of the both net interest margin and the assets and liabilities interest rate spread, taking into account the assets profitability and the liabilities consumability as well as their time limitation.

To restrict interest rate risk, special mechanisms have been developed as regards assets and liabilities pricing (setting interest rates).

Interest rate risk assessment is based on the model of time gap calculation for assets and liabilities sensitive towards interest rate changes, which allows to evaluate the effect of the interest rate changes on the Bank's expected net interest income.

Interest rate risk is also assessed using the duration method, which shows the change in the economic value of the capital as a result of interest rate changes, taking into account the time inconsistency of the involved liabilities and allocated assets.

Average interest rates for interest-bearing financial assets and liabilities as of the end of the reporting period

Item	Reporting period interest rates		Previous period interest rates	
	Drams %	Foreign currency %	Drams %	Foreign currency %
Assets				
Balances with CBA				
Amounts due from banks and other financial organizations		6.50		7.00
including				
- interbank loans				
- interbank repo				
- interbank swap				
Loans and advances to customers	6-24	7-16	6-24	7-16
Securities held for trading and available for sale	9-13		9-13	
Securities held to maturity				
Liabilities				
Amounts due to banks	6-7.5	2.75-8.3	2-9.50	2.75-8.3
and other financial institutions				
Amounts due to customers	0.01-10.5	0.01-5.25	0.01-11.0	0.01-5.50
Liabilities as regards securities issued by the Bank	14.00	7.0-8.5	14.00	7.5-8.5

Liquidity risk

The purpose of the Bank's liquidity management is to create an integrity of financial potential, which will enable to meet the well founded money demands of all types of creditors, depositors and other customers without serious problems which may be reflected in the Bank's balance sheet and off-balance sheet items, as well as ensuring the maximum possible profitability level.

To ensure smooth liquidity and efficiently manage the liquidity risk, the Bank implements coordinated management of assets and liabilities, which assumes:

1. availability of sufficient number of highly liquid assets,
2. sustainability of resources,
3. acceptable time gaps for assets and liabilities,
4. possibilities to attract means from external sources.

For correct decision-making concerning the Bank's liquidity management, it is especially important to carry out a time analysis for assets and liabilities, which is implemented through the assets and liabilities time gap calculation model by instant and cumulative separations. Instant liquidity is calculated on the daily basis to make correct situational decisions.

Item description	Non-performing		Time remaining to maturity						open-end	Total
	overdue	time	demand	up to 3 months	3-6 months	6-12 months	1-5 years	more than 5 years		
Assets										
Cash in intern. and CBA			121,365,647	5,008,393					120,000	126,494,040
Amounts due from banks and other fin. institutions			9,138,468	13,062,290	3,416,999	116,969	290,637		679,812	26,705,175
Loans provided to customers	2,201,842	2,765,317		100,830,461	26,863,235	45,541,917	178,293,147	35,064,865		391,560,784
Financial assets	-	-	-	517,821	-	-	24,131,766	7,984,455	47,158	32,681,200
held for trade										19,828,129
available for sale				517,821				4,303,637	7,984,455	47,158
held up to maturity										-
Realized under repo agreements										-
Other assets	11,394	5,640	6,871,864	91,521	127,401	365,302	3,266,307	2,052,834	3,766,183	16,558,446
*Contractual demands										-
Total	2,213,236	2,770,957	137,375,979	119,510,486	30,407,635	46,024,188	205,981,857	45,102,154	4,613,153	593,999,645
1-st group currency	2,131,815	1,323,392	69,519,858	83,615,005	5,222,443	24,296,633	115,286,914		661,599	302,057,659
2-nd group currency			2,425,614	3,790,191	909,699	339,182	209,000		25,080	7,698,766
Variable interest rate										-
Fixed interest rate	2,201,842	2,765,317	3,653,503	119,418,965	30,280,234	45,658,886	182,887,421	43,049,320	679,812	430,595,300
Interest free	11,394	5,640	133,722,476	91,521	127,401	365,302	23,094,436	2,052,834	3,933,341	163,404,345
Liabilities										
Amounts due to banks and other fin. institutions			3,629,770	44,358,782	928,539	11,644,270	11,447,081	19,685,637		91,694,079
Amounts due to customers	-	-	105,353,115	92,913,046	55,152,971	94,248,026	94,300,766	1,761,252	-	443,729,176
upon demand			105,353,115							105,353,115
time liability				92,913,046	55,152,971	94,248,026	94,300,766	1,761,252		338,376,061
Other										-
Liabilities for securities issued by the banks								11,371,778		11,371,778
Other liabilities			1,055,020	147,016						1,202,036
Off –balance contingent liabilities	24,666	27,449	24,576,007	4,877,368	6,363,790	6,070,370	22,590,813			64,530,463
*Contractual liabilities										-
Total	-	-	110,037,905	137,418,844	56,081,510	105,892,296	117,119,625	21,446,889	-	547,997,069
1-st group currency			71,202,590	68,082,889	25,957,036	50,245,663	84,765,756			300,253,934
2-nd group currency			4,531,740	1,142,288	243,308	1,446,428	332,946			7,696,710
Large amount liability				19,432,954	147,862	56,489	20,873,115			40,510,420
Variable rate liability										-
Fixed rate liability			100,467,120	127,602,203	41,867,411	105,174,489	117,119,625	21,446,889		513,677,737
Interest free			9,570,785	9,816,641	14,214,099	717,807				34,319,332
Net liquidity gap	2,213,236	2,770,957	27,338,074	(17,908,358)	(25,673,875)	(59,868,108)	88,862,232	23,655,265	4,613,153	46,002,576
1-st group currency	2,131,815	1,323,392	(1,682,732)	15,532,116	(20,734,593)	(25,949,030)	30,521,158	-	661,599	1,803,723
2-nd group currency	-	-	(2,106,126)	2,647,903	666,391	(1,107,246)	(123,946)	-	25,080	2,056
Variable interest rate	-	-	-	-	-	-	-	-	-	-
Fixed rate	2,201,842	2,765,317	(96,813,617)	(8,183,238)	(11,587,177)	(59,515,603)	65,767,796	21,602,431	679,812	(83,082,437)
Cumulative liquidity gap	2,213,236	4,984,193	32,322,267	14,413,909	(11,259,966)	(71,128,074)	17,734,158	41,389,423	46,002,576	547,997,069

31.12.2017

31.12.2017

Item description	Non-performing		Time remaining to maturity						open-end	Total
	overdue	time	demand	up to 3 months	3-6 months	6-12 months	1-5 years	more than 5 years		
Assets										
Cash in intern. and CBA			62,015,054	50,016,638					120,000	112,151,692
Amounts due from banks and other fin. institutions			4,153,560	6,173,706	999,975	2,435,602	2,834,545		680,643	17,278,031
Loans provided to customers	1,366,835	4,191,319		81,877,530	57,654,715	27,564,529	170,984,095	32,741,962		376,380,985
Financial assets			-	-	16,532,980	13,524,963	656,946	10,242,346	47,158	41,004,393
held for trade					16,532,980	8,023,176	5,501,787	656,946	10,242,346	16,448,237
available for sale										-
held up to maturity										-
Realized under repo agreements										-
Other assets	14,767	12,798	6,679,760	18,070	95,215	403,936	3,272,183	2,357,424	3,716,481	16,570,634

*Contractual demands											-
Total	1,381,602	4,204,117	72,848,374	138,085,944	75,282,885	43,929,030	177,747,769	45,341,732	4,564,282	563,385,735	
1-st group currency	4,015,831	3,177,656	23,791,773	66,950,555	28,386,181	12,425,175	112,257,664		680,643	251,685,478	
2-nd group currency			1,539,690	4,834,780	480,303	84,000	252,000		25,200	7,215,973	
Variable interest rate										-	
Fixed interest rate	1,366,835	4,191,319	2,007,615	121,116,897	66,773,455	42,967,910	173,729,009	45,341,732	680,643	458,175,415	
Interest free	14,767	12,798	70,840,759	16,969,047	8,509,430	961,120	4,018,760		3,883,639	105,210,320	
Liabilities											
Amounts due to banks and other fin. institutions			1,033,189	59,783,081	5,176,951	2,181,047	8,798,255	21,590,087		98,562,610	
Amounts due to customers upon demand	-	-	88,657,072	51,993,792	68,903,973	98,283,027	91,612,298	1,760,322	-	401,210,484	
time liability										88,657,072	
Other				51,993,792	68,903,973	98,283,027	91,612,298	1,760,322		312,553,412	
Liabilities for securities issued by the banks							8,967,294			8,967,294	
Other liabilities			831,029	244,698						1,075,727	
Off –balance contingent liabilities	5,281	28,297	20,792,450	3,800,553	4,273,472	9,154,464	19,626,317			57,680,834	
*Contractual liabilities										-	
Total	-	-	90,521,290	112,021,571	74,080,924	100,464,074	109,377,847	23,350,409	-	509,816,115	
1-st group currency			46,269,560	43,747,436	38,168,993	45,349,555	76,660,042			250,195,586	
2-nd group currency			5,382,282	630,095	325,988	520,532	373,608			7,232,505	
Large-scale liability				37,117,523	193,328	131,182	21,103,863			58,545,896	
Variable rate liability										-	
Fixed rate liability			86,754,496	94,542,481	65,841,187	98,509,204	109,377,847	23,350,409		478,375,624	
Interest free			3,766,794	17,479,090	8,239,737	1,954,870				31,440,491	
Net liquidity gap	1,381,602	4,204,117	(17,672,916)	26,064,373	1,201,961	(56,535,044)	68,369,922	21,991,323	4,564,282	53,569,620	
1-st group currency	4,015,831	3,177,656	(22,477,787)	23,203,119	(9,782,812)	(32,924,380)	35,597,622	-	680,643	1,489,892	
2-nd group currency	-	-	(3,842,592)	4,204,685	154,315	(436,532)	(121,608)	-	25,200	(16,532)	
Variable interest rate	-	-	-	-	-	-	-	-	-	-	
fixed rate	1,366,835	4,191,319	(84,746,881)	26,574,416	932,268	(55,541,294)	64,351,162	21,991,323	680,643	(20,200,209)	
Cumulative liquidity gap	1,381,602	5,585,719	(12,087,197)	13,977,176	15,179,137	(41,355,907)	27,014,015	49,005,338	53,569,620	509,816,115	

Average balance sheet capital ans assets

01/01/18-31/03/18

Average balance sheet asset	562,228,782
Average balance sheet capital	39,254,048

Note 42. Collateral accepted

	Reporting period	Previous period
Other securities	24,468,866	25,028,233
Jewels and precious stones	16,255,197	15,533,019
Real estate	184,526,787	178,646,163
Vehicles	14,689,599	14,984,210
Other PPE	33,562,157	34,703,255
Finished production and goods	28,279,040	29,160,948
Cash	17,870,819	22,671,881
Other collateral	35,661,866	36,550,380
Credit guarantee	1,355,505	1,404,772
Other quarantees	37,666,265	34,563,242
Credit warranties	309,996,142	311,210,728
Other warranties	36,483,640	37,329,277
Total	740,815,883	741,786,108

Chairman of the Executive Board

Arsen Mikayelyan

Chief Accountant

Narine Sargsyan

Date of approval 13.04.18