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COMMERCIAL BANKS FUNCTIONING IN ARMENIA

As of 30.09.2011, there were 21 commercial banks with a total of 418 branch offices, functioning in the territory of the Republic of Armenia. In the period under review the banking sector has been active enough and posted growth of survey indicators.

TOTAL CAPITAL OF COMMERCIAL BANKS

In the third quarter of 2011 total capital of commercial banks has grown by 1.0 percent (AMD 3.4 billion) and amounted to AMD 343.1 billion, owing to AMD 5.2 billion of profit of the quarter.

The total assets to total capital ratio has fallen by 1.1 pp to 18.2 percent as assets grew faster than capital of the banking sector.

The total capital adequacy standard has dropped by 0.4 pp to 19.6 percent, due to surpassing growth of risk weighted assets over the growth of total regulatory capital as a result of proactive lending policies carried out by banks.

TOTAL LIABILITIES OF COMMERCIAL BANKS

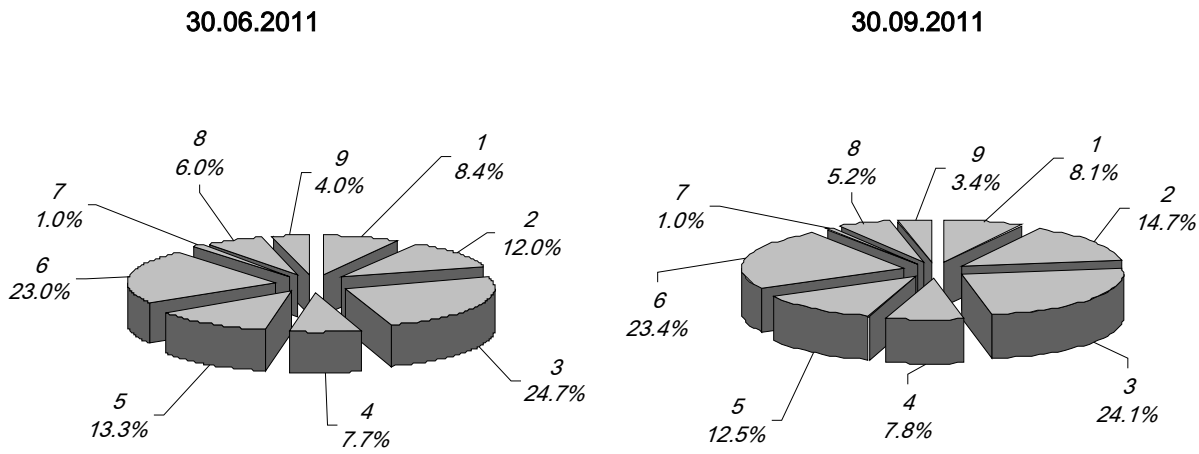
In the period under review total liabilities of commercial banks have increased by 8.6 percent (AMD 121.5 billion) and amounted to AMD 1 trillion 541.0 billion, mostly due to AMD 92.9 billion increase of term and demand deposits of natural persons and legal persons and AMD 37.3 billion increase of liabilities to banks and other financial institutions. 15 banks reported increases and 6 banks reported decreases in total liabilities. The main decreases were reported on liabilities to the Government, by 7.5 percent (AMD 6.1 billion) and other liabilities, by 9.5 percent (AMD 5.4 billion).

As of 30.09.2011, total amount of deposits of commercial banks has been AMD 841.5 billion. Demand and term deposits of natural persons have grown by 5.7 percent or AMD 26.8 billion, and demand and term deposits of legal persons, by 23.7 percent or AMD 66.1 billion.

By currency structure, dram deposits have grown by 13.4 percent or AMD 29.9 billion and foreign currency deposits, by 12.0 percent or AMD 63.0 billion. As a result, the share of dram deposits in total has increased by 0.3 pp to 30.1 percent.

Over the quarter, the share of demand liabilities of legal persons has grown by 2.7 pp while the share of liabilities to the Government and to other financial institutions has decreased by 0.8 pp each and the share of term deposits of natural persons has contracted by 0.6 pp.

Funds attracted by commercial banks



1. Demand deposits of natural persons, 2. Demand deposits of legal persons, 3. Term deposits of natural persons, 4. Term deposits of legal persons, 5. Liabilities to other financial organizations, 6. Banks' correspondent accounts and other liabilities (including Central Bank), 7. Interest payable, 8. Liabilities to Government, 9. Other liabilities.

TOTAL ASSETS OF COMMERCIAL BANKS

In the period under review total assets of commercial banks have grown by 7.1 percent or AMD 124.9 billion and reached AMD 1 trillion 884.1 billion. During the quarter, 16 banks reported increases and 5 banks reported decreases in assets.

The main asset increases were reported in respect of growth of loans to economy (lease and factoring included), by 5.1 percent or AMD 55.0 billion, and correspondent accounts with the Central Bank and other claims on banks, by 25.8 percent or AMD 44.8 billion.

Loans to legal persons have grown by 6.9 percent (AMD 44.5 billion); loans to natural persons, by 3.7 percent (AMD 13.7 billion); loans to bank insiders, by 2.1 percent (AMD 612 million), whereas lease and factoring operations have reduced by 9.7 percent (AMD 3.8 billion).

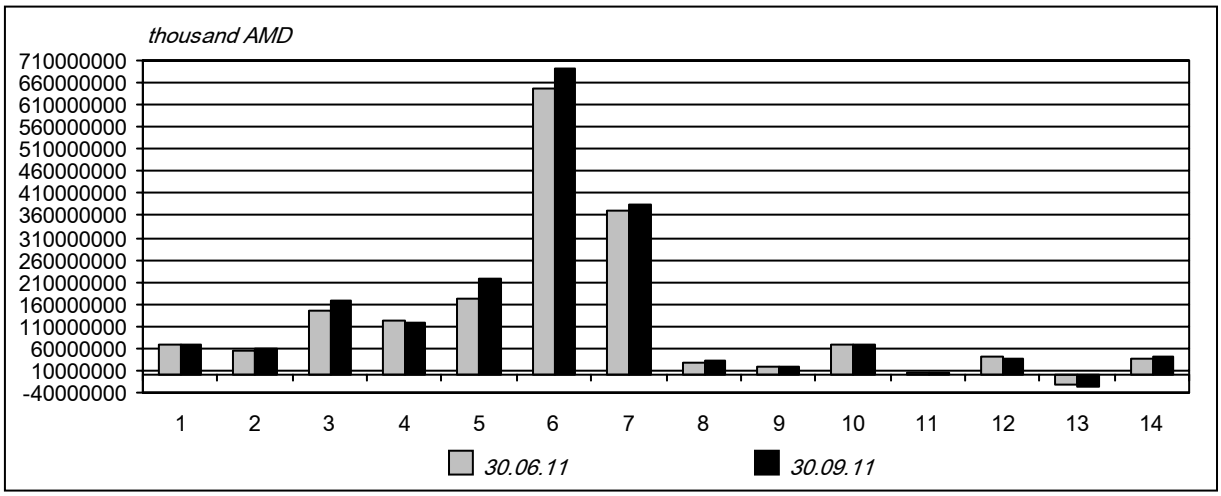
As of 30.09.2011, the portfolio of banking system loans to the economy (lease and factoring excluded) has been AMD 1 trillion 107.0 billion, of which 62.4 percent were the loans to legal persons, 34.9 percent were the loans to natural persons, and 2.7 percent were loans to bank insiders.

In the period under review, commercial bank loans (including inter-bank deposits and loans, repurchase agreements, lease and factoring) have increased by 4.8 percent (AMD 57.5 billion) and amounted to AMD 1 trillion 266.4 billion. The dram loans and receivables have grown by 3.2 percent to AMD 503.8 billion and the foreign currency loans and receivables, by 5.8 percent to AMD 762.7 billion. As a result, the share of dram investment has reduced by 0.6 pp to 39.8 percent.

Loans to non-residents have decreased by 1.0 percent and to AMD 79.7 billion; loans to residents have increased by 5.2.1 percent to AMD 1 trillion 186.7 billion. Almost all sectors of the economy reported increased volumes of lending. The highest growth rate though was observed in *professional, scientific* and *technical* areas, by 32.3 percent. Loans to processing industry have grown by 10.2 percent, loans to trade, by 10.0 percent and loans to consumer and mortgage sectors, by 4.8 percent and 3.7 percent, respectively.

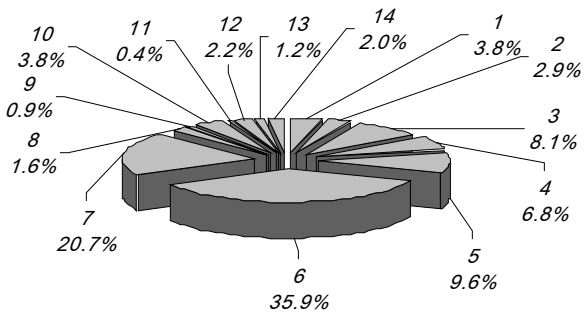
In the structure of resident loan investment, the share of loans to industry and the share of consumer loans have reduced by 1.1 percent and 0.7 percent and made up 20.5 percent and 16.7 percent, respectively.

Assets of commercial banks

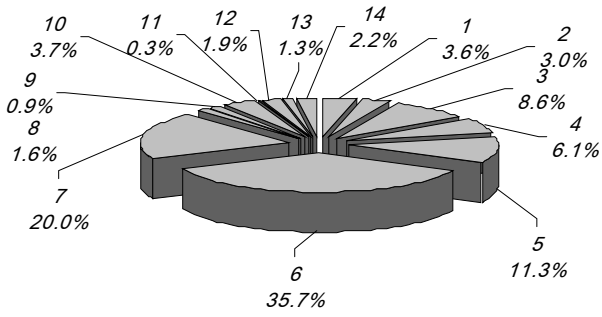


Structure of commercial bank assets

30.06.2011



30.09.2011



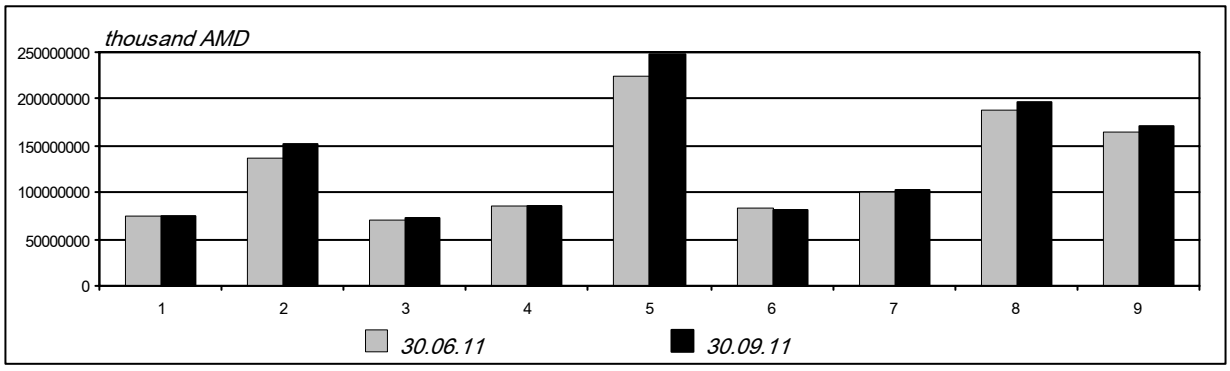
1. Cash
2. Correspondent accounts with banks
3. Government securities (including repurchase agreements)
4. Claims on banks and other financial organizations
5. Correspondent accounts with CBA and other claims on CBA
6. Loans to legal persons
7. Loans to natural persons
8. Loans to bank insiders
9. Accrued interest receivable
10. Fixed assets
11. Other securities
12. Leasing and factoring (excluding inter-bank)
13. Reserve fund
14. Other assets

During the quarter the largest share moves were recorded for the loans to trade and processing industry as they increased by 0.9 pp and 0.6 pp, respectively.

The share of “standard” category assets of commercial banks has reduced by 1.3 pp to 95.7 percent of total loans and accounts receivable. As of 30.09.2011, the shares of “watch” category loans and receivables of the banking system constituted 2.7 percent of the total; “substandard” category loans and receivables, 1.1 percent, and “doubtful” category loans and receivables, 0.6 percent (1.6 percent, 1.2 percent, and 0.3 percent, respectively, as of 30.06.2011).

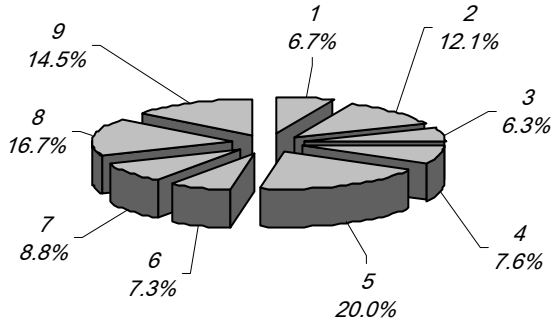
In the period under review, the total liquidity ratio of commercial banks has increased by 1.5 pp but the current liquidity ratio has dropped by 7.0 pp and they amounted to 28.3 percent and 125.0 percent, respectively.

Volume of commercial bank loans to residents, by sectors of the economy [1]

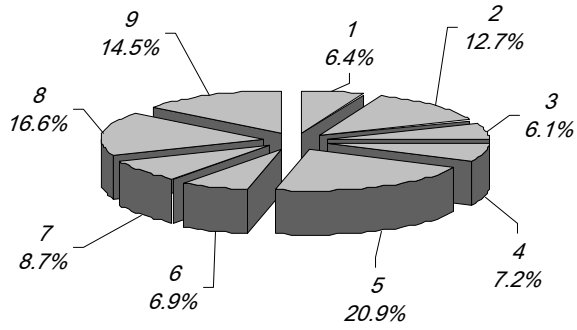


Structure of commercial bank loans to residents, by sectors of the economy

30.06.2011



30.09.2011



1. Agriculture, forestry and fishery, 2. Processing industry, 3. Electricity, gas, steam and fine air supply, 4. Construction, 5. Trade, 6. Financial and insurance activities, 7. Mortgage loans, 8. Consumer loans, 9. Other sectors

INCOME AND EXPENSE ACCOUNT OF COMMERCIAL BANKS

As of 30.09.2011, the banking sector generated net profit [after tax] of AMD 24.5 billion[2]; return on assets amounted to 1.8 percent (annualized); return on equity, 9.7 percent (annualized). 19 banks posted profit and 2 banks posted loss.

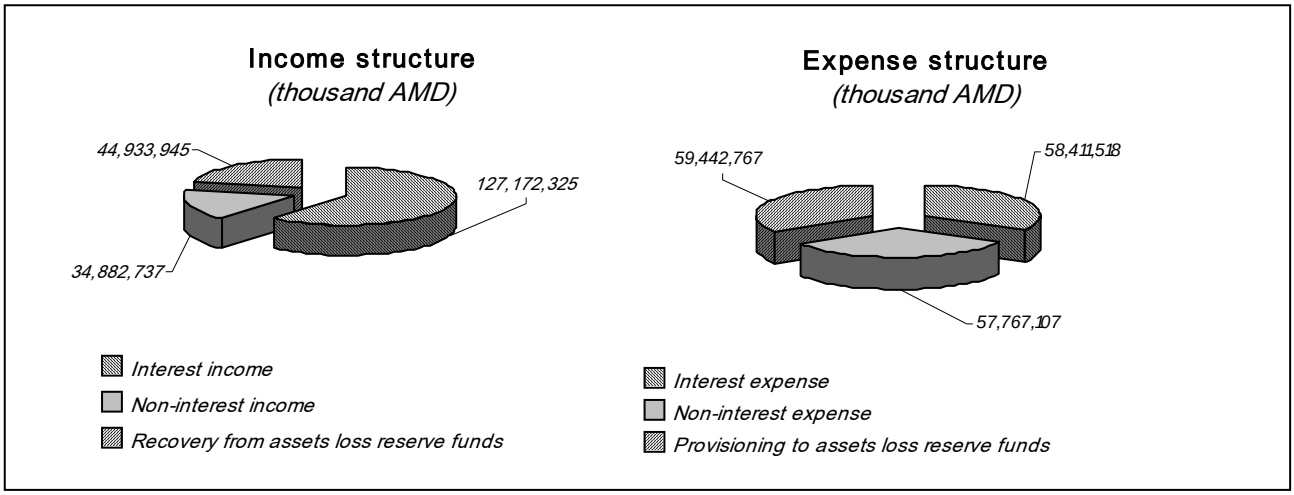
According to IFRS, net profit of the banking sector for the first nine months of 2011 has been AMD 25.8 billion; return on assets, 2.1 percent; and return on equity, 11.2 percent.

Commercial banks generated a total of AMD 207.0 billion of gross revenue and executed a total of AMD 175.6 billion of gross expenditures (calculated according to the Central Bank regulatory requirements).

[1] Effective from July 2011, commercial banks are required to report their loan investments based on a new methodology, which is called a NACE classification. So, the previous quarter's indicators are presented according to the new methodology, i.e. they are recalculated to make sure they match.

[2] The main reason for a large discrepancy between the Central Bank reports and reports submitted according to IFRS is the practice to make provisioning of standard assets to reserves on potential losses at the amount of 1 percent. This is the amount to which extent banks recognize it as expense.

Commercial bank income and expesne structure, as of 30.09.2011



Proceeds from loans to economy accounted for the largest share, 78.3 percent, of interest income, and commission fees accounted for 45.9 percent and FX trades accounted for 27.7 percent of non-interest income.

Interest paid on term deposits accounted for 45.6 percent of interest expense, and bank employee salary and salary equivalents accounted for 43.2 percent of non-interest expense.

Over the year, the share of net provisioning[3] of commercial banks (a total of AMD 14.5 billion) constituted 0.8 percent of total assets.

CREDIT ORGANIZATIONS

As of 30.09.2011, there were 31 credit organizations, with a total of 70 branch offices, functioning in the territory of the Republic of Armenia.

In the period under review, total assets of credit organizations have grown by 5.3 percent (AMD 5.5 billion) to AMD 109.3 billion. During the quarter, 25 credit organizations reported increases and 6 reported decreases in assets.

During the quarter, total lending to the economy and lease operations by credit organizations have increased by 4.5 percent or AMD 3.0 billion and amounted to AMD 69.8 billion. The value of dram loans and leasing has increased by 1.6 percent or AMD 675 million; the value of foreign currency loans and leasing, by 9.6 percent or AMD 2.3 billion. Loans to natural persons have grown by 0.7 percent and amounted to AMD 47.5 billion and loans to legal persons, by 13.1 percent and amounted to AMD 14.5 billion. The total volume of lease operations has increased by 13.1 percent, amounting to AMD 5.3 billion at the end of the period.

The total volume of credit organizations' loans to and accounts receivable on residents has increased by 6.0 percent or AMD 5.3 billion, amounting to AMD 93.9 billion. No essential changes were reported with the structure of loan investment.

Over the quarter, in terms of risk classification of the loan portfolio, the share of 'standard' category loans and receivables in total has increased by 0.1 pp to reach 96.9 percent. As of 30.09.2011, the share of 'watch' category loans and receivables of credit organizations made up 1.8 percent in total loans of credit organizations; the share of 'substandard' category loans and receivables, 0.8 percent; and the share of 'doubtful' loans and receivables, 0.5 percent (as of 30.06.2011, these were 1.9 percent, 0.7 percent and 0.6 percent, respectively).

Total capital of credit organizations has grown by 5.1 percent or AMD 2.1 billion and reached AMD 42.2 billion. Total statutory capital of credit organizations has increased by 1.0 percent or AMD 329 million.

As of 30.09.2011, net profit of credit organizations (profit after tax) has been AMD 3.3 billion (calculated according to the Central Bank regulatory requirements). Since the beginning of the year, 27 credit organizations have posted profit and 4 posted loss.

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[3] Net provisioning is the expense item "Provisions to assets loss reserve fund" less the income item "Recoveries from assets loss reserve fund", and the indicator 'net provisioning' is used for an analytical purpose. Item "Provisions to assets loss reserve fund" increases when the particular asset category deteriorates; similarly, item "Recoveries from assets loss reserve fund" increases when the particular asset category improves.

Credit organizations' return on profit (annualized) has been 4.3 percent and return on equity (annualized) has been 11.0 percent.

Total liabilities of credit organizations have grown by 5.5 percent or AMD 3.5 billion and amounted to AMD 67.1 billion, due to 23.3 percent (or AMD 3.5 billion) increase of the liabilities to other financial organizations.

Demand and term liabilities to natural persons and legal persons have grown by 1.9 percent or AMD 398 million.

In the liabilities structure of credit organizations, the share of liabilities to other financial organizations has increased by 4 pp but the share of liabilities to commercial banks has reduced by 3.1 pp.

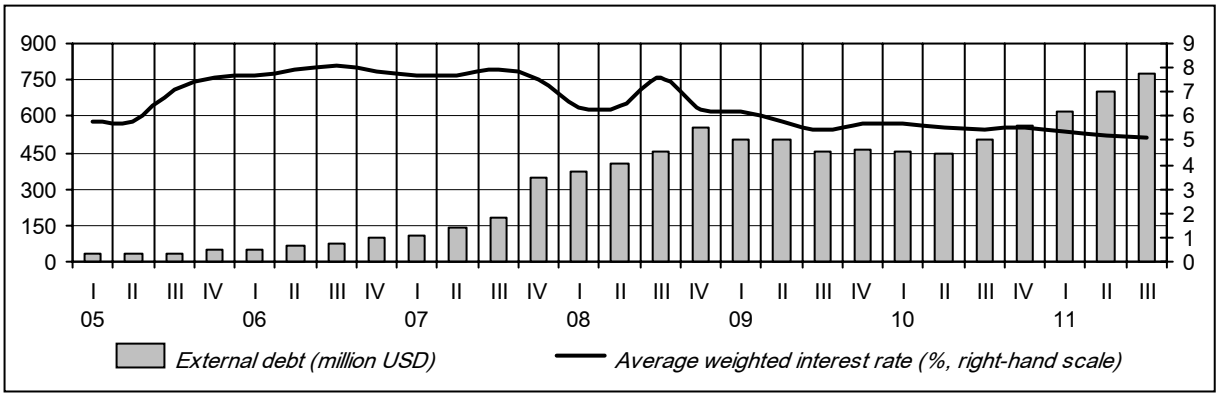
External debt of Armenian commercial banks and credit organizations at the end of the third quarter of 2011

As of the end of the third quarter of 2011, loan obligations[*] of Armenian commercial banks and credit organizations to the rest of the world have amounted to USD 776.1 million versus USD 705.0 million recorded at the end of the previous quarter. Over the quarter commercial banks and credit organizations attracted loan resources of USD 554.7 million from the rest of the world and made amortization repayments[**] in the amount of USD 471.6 million against loans outstanding.

At the end of the third quarter of 2011, the main lenders to commercial banks and credit organizations were Russia (with its share of 16.9 percent in total versus 13.6 percent in the previous quarter), Luxemburg (12.2 percent versus 12.7 percent), Germany (6.6 percent versus 7.6 percent), France (5.5 percent versus 6.0 percent) and Netherlands (5.2 percent versus 5.7 percent). About 30.5 percent of loans were provided by international financial institutions.

At the end of the third quarter of 2011, the average-weighted interest rate of attracted loans remained unchanged, 5.2 percent. Nearly 55 percent of external loans are with floating interest rates (LIBOR, EURIBOR, TB). The average maturity of the loans is about 4.3 years. The share of short-term loans has increased slightly to 13.3 percent of total loans attracted.

External debt of Armenian commercial banks, 2005-2011



[*] *Excluding loans of international financial institutions and other lenders received through the Government in the framework of various programs.*

[**] *The amount of net attraction in previous and reporting periods varies from the actual figure as funds attracted are expressed in different currencies which is why, when expressed in dollar equivalent, they include the exchange rate revaluations.*

INSURANCE COMPANIES

As of 30.09.2011, there were 9 insurance companies functioning in the territory of the Republic of Armenia.

In the period under review, assets of insurance companies have reduced by 6.3 percent to AMD 28.7; liabilities have reduced by 5.6 percent to AMD 14.2 billion; and total capital has contracted by 7.0 percent to AMD 14.5 billion.

In the assets portfolio of insurance companies, deposits with banks accounted for the largest share (50.5 percent), investment in securities amounted to 8.8 percent, and the share of accounts receivable in respect of direct insurance reached 7.2 percent, in total.

In the liabilities portfolio of insurance companies, the share of the reserve for unearned insurance premiums accounted for the largest share (47.9 percent), the reserve for claims, 19.9 percent, and accounts payable to reinsurers, 8.9 percent.

Based on the first three quarters' results, profit [after tax] of insurance companies has been AMD 2.3 billion; return on assets (annualized) has been 10.3 percent and return on equity (annualized) has been 22.0 percent. All insurance companies posted profit.

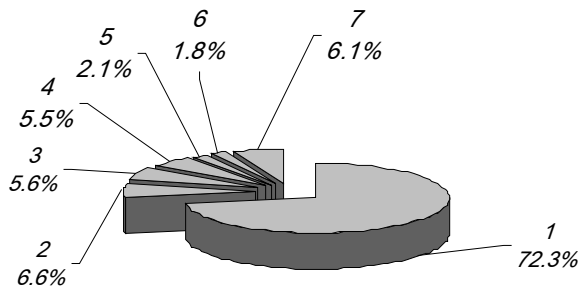
According to IFRS, profit of insurance companies for the first three quarters has been AMD 2.3 billion; return on assets, 10 percent and return on equity, 22 percent.

Total amount of accrued premiums amounted to AMD 18.7 billion. Total amount of insurance premiums payable to reinsurers reached AMD 1.7 billion or 9.1 percent of total insurance premiums.

In the period under review, insurance indemnities amounted to AMD 5.2 billion, while sums on insurance indemnities from reinsurers reached AMD 513.2 million or 9.9 percent of all insurance indemnities.

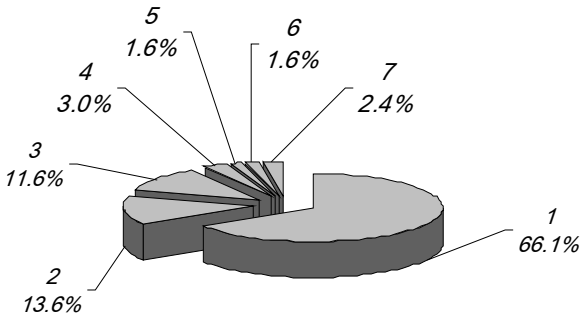
Insurance premiums and indemnities of insurance companies for nine months of 2011, by insurance class

Insurance premiums by insurance class



1. Mandatory motor insurance against third party liability, 2. Health insurance, 3. Land vehicle insurance, 4. Fire and natural disaster insurance, 5. Cargo (property) insurance, 6. General liability insurance, 7. Other classes

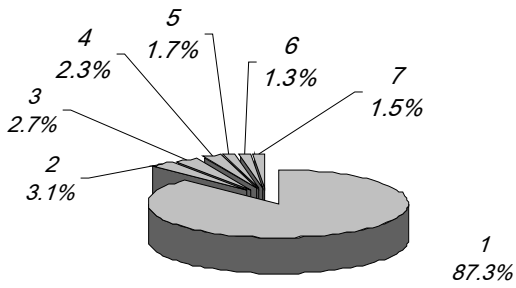
Insurance indemnities by insurance class



1.Mandatory motor insurance against third party liability, 2. Health insurance, 3. Land vehicle insurance, 4. Fire and natural disaster insurance, 5. Financial loss insurance, 6. General liability insurance, 7. Other classes

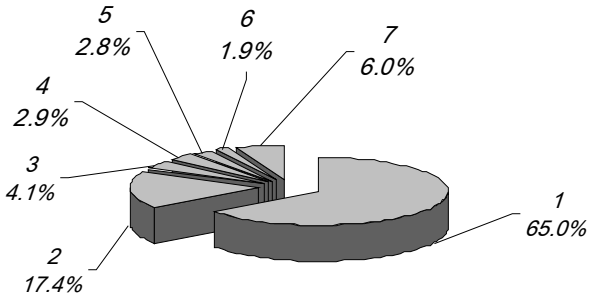
Insurance contracts and insurance sums, by insurance class

Insurance contracts by insurance class, as of 30.09.2011



1. Mandatory motor insurance against third party liability, 2. Accident insurance, 3. Fire and natural disaster insurance, 4. Land vehicle insurance, 5. Assistance insurance, 6. Property damage insurance, 7. Other classes

Insurance sums by insurance class, as of 30.09.2011



1. Mandatory motor insurance against third party liability, 2. Fire and natural disaster insurance, 3. General liability insurance, 4. Assistance insurance, 5. Property damage insurance, 6. Air (cargo) liability insurance, 7. Other classes

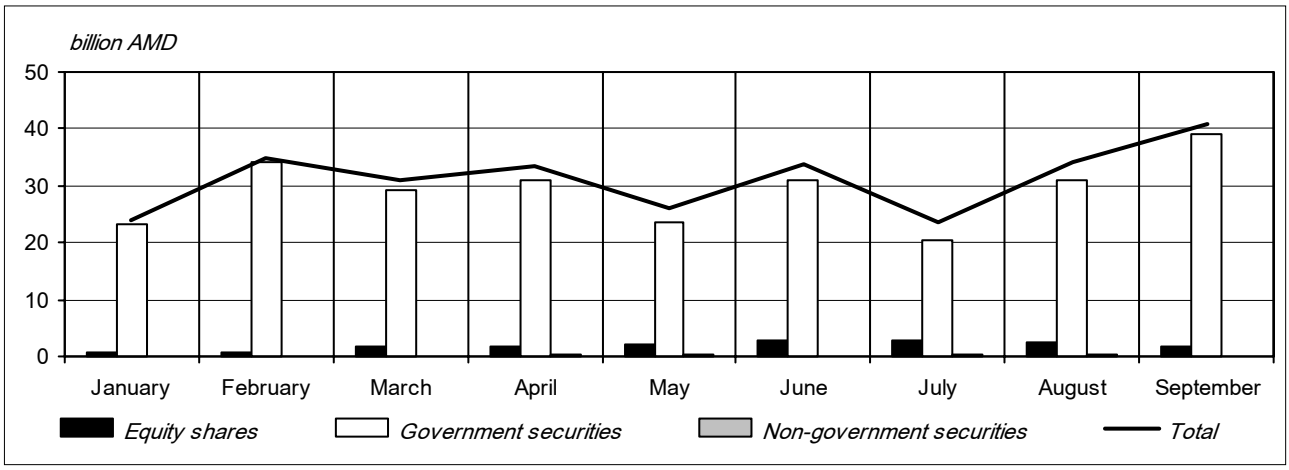
As of 30.09.2011, insurance companies reported 422.1 thousand insurance contracts in use, with sums insured under these contracts totaling AMD 6.0 trillion. Sums reinsured transferable to reinsurers from sums insured amounted to AMD 1.7 trillion or 28.8 percent of insurance cover.

SECURITIES MARKET PARTICIPANTS

As of 30.09.2011, there were 21 banks providing investment services and 8 investment companies in the Armenian securities market. Of these investment companies, seven are entitled to carry out transactions with securities on their behalf or on their customers' behalf and to their expense or to their customers' expense; six are entitled to take and handle orders from customers for carrying out transactions with securities; six are entitled to provide advisory services relating to investment with securities; six are entitled to perform underwriting; five are entitled to manage securities portfolios.

As of 30.09.2011, total assets of investment companies have amounted to AMD 21.2 billion, down by 6 percent in relation to the previous quarter. Total capital of investment companies has reduced by 15 percent and amounted to AMD 3.2 billion.

Securities trades by investment companies for nine months of 2011



Over the quarter the volume of securities trading in the Armenian securities market for investment operations has increased by 6 percent against the previous quarter and amounted to AMD 98.5 billion. The volume of trading in corporate securities has shrunk by 45 percent relative to the previous quarter and amounted to AMD 634 million. The volume of trading in shares has increased by 10 percent and reached AMD 7.2 billion. The volume of trading in treasury bills has grown by 6 percent and reached AMD 90.7 billion. Based on the third quarter 2011 results, operations with treasury bills prevailed in the total securities market operations, constituting 92.0 percent of total securities market turnover. The weights of transactions with corporate securities and shares constituted 0.6 percent and 7.3 percent, respectively, in total.

In the trades of government securities, the long-term treasury bills had the largest share, making up 43.2 percent of total operations. The share of medium-term and short-term treasury bills in the total traded volume of government securities constituted 41.6 percent and 15.2 percent, respectively.

The volume of securities trades executed in the regulated market by investment service providers constituted 2.2 percent of total investment operations carried out.

The volume of operations carried out in the regulated market has increased by 25 percent in relation to the previous quarter and reached AMD 5.2 billion, with repurchase transactions, corporate securities, treasury bills and shares operations accounting for 58.7 percent, 4.3 percent, 36.9 percent and 0.1 percent, respectively, of total operations.

In the structure of investment operations, operations carried out by commercial banks as investment service providers accounted for 92 percent and operations carried out by investment companies constituted 8 percent, in total.

The volume of repurchase transactions performed as investment activities (including repurchase transactions in the regulated market) has reduced by 8.3 percent relative to the previous quarter and amounted to AMD 711.2 billion, of which AMD 297.0 billion were rollovers.

As of 30.09.2011, the volume of transactions executed as trust management amounted to AMD 2.9 billion, a 41.2 percent increase in relation to the end of the previous quarter.

As of 30.09.2011, there were 1592 issuer companies in the Central Depository of Armenia and 92876 individuals as holders of securities issued by companies that run registries. Further, two investment service providers run registries of 341 companies and 29337 individuals as holders of securities.

As of 30.09.2011, a total of 17 classes of securities of 13 reporting issuers were admitted to trading in the regulated market. These classes included 12 shares of 11 issuers and 5 bonds of 3 issuers. Four of the issuers were banks. The total volume of shares amounted to AMD 49.7 billion. The volume of bonds amounted to nearly AMD 3.2 billion. One of the issuers is reportable on both shares and bonds. Commercial banks accounted for 26 percent of equity shares issued.

IMPROVEMENT IN FINANCIAL SYSTEM REGULATORY FRAMEWORK

Laws drafted by the Central Bank of the Republic of Armenia during the third quarter of 2011 include:

"Law on Supplements to the Republic of Armenia Law on the Central Bank", and

"Law on Supplement to the Republic of Armenia Code on Administrative Infringement".

These drafts are aimed to entitle the Central Bank with the function of statistician for Armenia's balance of payments, international reserve position and foreign debt. In performing this function, the Central Bank will be supported by state authorities. The National Statistics Service of Armenia will make non-individual data available to the Central Bank as part of such support.

Once the relevant laws are adopted economic agents, including entities in non-financial sector, shall have to submit part of their statistical reports, previously due for NSSA, to the Central Bank.

Government resolutions drafted by the Central Bank of the Republic of Armenia during the third quarter of 2011 include:

"Resolution on Supplements and Changes to the Republic of Armenia Government Resolution 1251-N, September 9th of 2010",

"Resolution on Supplement to the Republic of Armenia Government Resolution 1854-N, November 30th of 2006", and

"Resolution on Supplement to the Republic of Armenia Government Resolution 32-N, January 22nd of 2004".

- These changes are aimed to eliminate unnecessary procedures in connection with the disposal of vehicles that carry yellow-colored number plates (taxi, bus and etc.).
- Such disposal procedures take place especially as a result of lease operations, and complicated processes (additional costs) hamper the development of leasing.
- The drafts provide for a new arrangement, as follows:
  - ✓ in case of the disposal of, or providing leasing for, vehicles that carry yellow-colored number plates, the new owner or leaseholder shall obtain and use the vehicle with the same number plate;
  - ✓ accordingly, such number plates will not have to be returned to the motor licensing and inspection department for new (white-colored or transit) number plates.

During the third quarter of 2011, the Central Bank made amendment to several legal acts.
Re: Banks and banking

1. The Board of the Central Bank enacted a resolution that approved the "Procedure on Bank Merger". This procedure is aimed to measure the impact of the merger on the financial standing of the new

bank, identify potential risks and make sure an effective oversight is implemented. The procedure establishes:

- information which commercial banks shall submit to the Central Bank for obtaining preliminary consent for merger; the procedure and timeframe for submission of such information;
- documents and information submitted for approval of the merger agreement;
- new charter or changes to the charter of the new financial organization and the procedure to submit these documents to register the changes and/or supplements to the charter;
- procedure for publication of announcement on registration of changes.

2. The Board of the Central Bank enacted a resolution that approved the "Requirements to the Voluntary Cumulative Pension Deposit Contract". In particular,
   1) the contract shall establish terms for depositing, payment of interest, taxation and transfer of the sum or a part of it to the insurance company for signing an annuity contract;
   2) non-regular contribution of deposit amounts by the participant shall not be treated as breach of the deposit contract and shall not entail any liability or consequence whatever;
   3) operations on the pension deposit shall be executed in Armenian drams;
   4) the deposit contract cannot be pledged against performance of obligation.

Re: Insurance market

For further improvement in the regulatory framework in the insurance market, the Board of the Central Bank introduced Regulation 3/11 "Reorganization of Insurance Company" approved under the Central Bank Board Resolution No 191-N, dated July 19 2011.

Re: Securities market

The Board of the Central Bank introduced Regulation 4/14 "Investment Company Merger" approved under the Central Bank Board Resolution No 192-N, dated July 19 2011. This regulation establishes the procedure for merger with the aim to measure the impact of the merger on the financial standing of the new financial organization, identify potential risks and make sure an effective oversight is implemented.

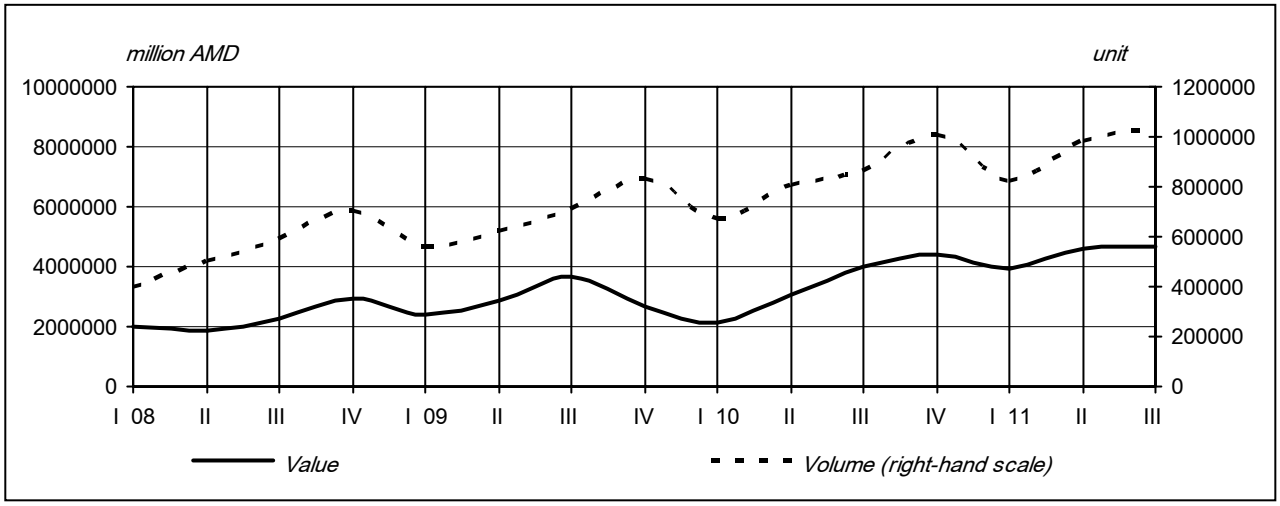
Payment and settlement relations in Q3, 2011

In the third quarter of 2011, the value of non-cash payment turnover in the Republic of Armenia has been AMD 5496 billion (a total of 2986472 transactions in number), of which AMD 4658 billion (1031869 transactions in number) had been via the Central Bank's payment systems. In the third quarter the value of non-cash payments carried out via the Central Bank's systems has increased by 17.4 percent (AMD 689 billion) and the number of non-cash transactions, by 20 percent (170940 more transactions) in relation to the third quarter of the previous year. The value of transfers via the Central Bank's payment systems has increased by 1.6 percent (AMD 75 billion) and the volume has increased by 46758 in number (by 4.75 percent), in relation to the third quarter.

The average daily value of transfers (excluding stock exchange transactions) using the Central Bank payment systems has been nearly AMD 73 billion, with 16123 transfer transactions in number. The average daily value of monetary transfers has grown by AMD 11 billion (2671 more transactions) in relation to the third quarter of 2010.

In the third quarter transfers initiated by and addressed to the Treasury have increased to amount to 26.75 percent of total value and 52.87 percent of total number of transactions of payments executed through the Central Bank (excluding transfers on stock exchange transactions). The total value of transfers addressed to and initiated by the Treasury through the Central Bank has increased in relation to the same quarter of the previous year by 8.37 percent (AMD 96.2 billion) and the transfers have grown by 100738 in number (22.65 percent).

Value and number of payments executed via the Central Bank systems (excluding stock exchange transactions)



In the third quarter of 2011, a total of 3747812 transactions amounting to AMD 188 billion have been executed in the Republic of Armenia by the use of payment cards. Of this, the value of non-cash card payments has been nearly AMD 16.7 billion. Of the non-cash turnover, e-payments on Internet amounted to

AMD 3.2 billion (including e-commerce for a total of AMD 0.8 billion and card-to-card payments, AMD 2.4 billion). At the end of the quarter the total number of cards in circulation has been 892124, representing 8.6 percent increase (70844 more cards) relative to the end of the fourth quarter of 2010. In the period under review the value of card-based non-cash payments made up around 9 percent of total transactions by cards. Overall, the value of card-based non-cash transactions has grown by 58 percent (AMD 6.13 billion) in relation to the same period of the previous year.

In the third quarter of 2011, relative to the same period of the previous year, remittances to natural persons through commercial banks and transfer organizations have increased by 20 percent to AMD 212 billion and the value of transfers abroad, by 19 percent to AMD 82 billion. As a result, net inbound transfers to natural persons have totaled AMD 130 billion, representing AMD 22 billion increase in relation to the third quarter of the previous year.

Fees charged for services provided by organizations engaged in processing and clearing of payment instruments as well as making money remittance totaled AMD 9.8 billion, including fees charged for services provided in cooperation with commercial banks.

PAYMENT CARDS

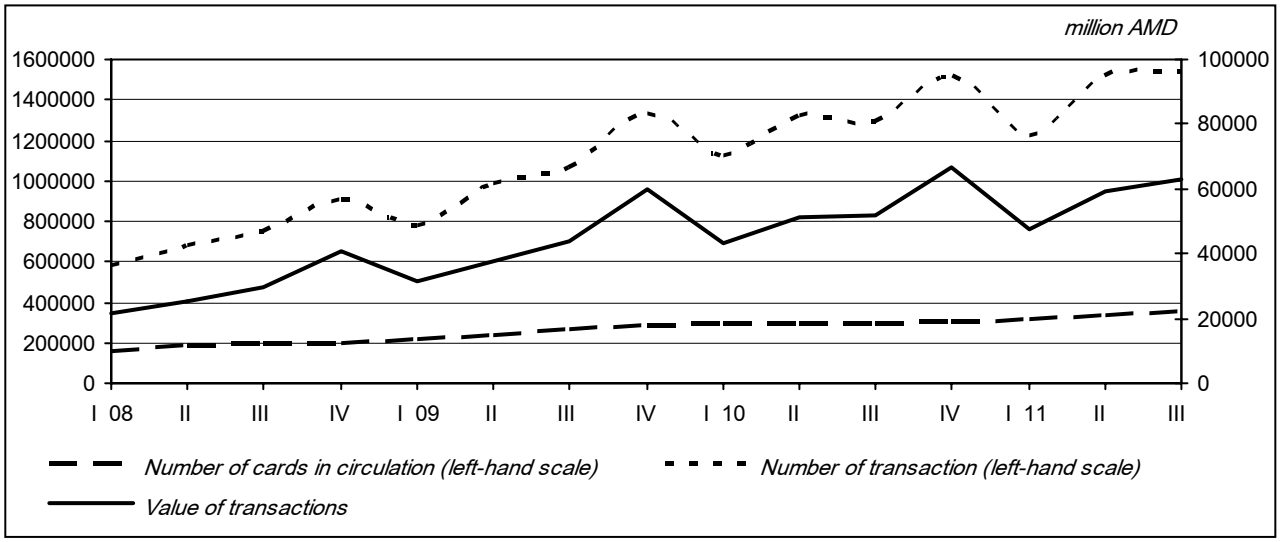
As of the end of the third quarter of 2011, the number of commercial banks issuing or servicing plastic cards remained 20. Further, 19 commercial banks are members to the "ArCa" ("Armenian Card" Unified Card Payment System).

In the period under review, 55 more ATMs were installed to serve payment cards, and as of the end of the third quarter the total number of ATMs reached 960. The total number of POS terminals installed by commercial banks has increased to 4582, of which 537 are installed in branch offices of commercial banks. The total number of imprinters installed is 5.

As of the end of the third quarter of 2011, the number of ArCa cards in use has increased by 7 percent (22975 more cards) in relation to the previous quarter and reached 357303 cards in total. The number of international system cards has increased by 10 percent and reached 534821, with VISA increased by 7.4 percent (23217 more cards) to reach 313688, and MasterCard increased by 17 percent (22952 more cards) to reach 159062. The number of other international cards has increased by 4.5 percent (1700 more cards).

Relative to the third quarter of 2010, the value of transactions with cards has increased by 35 percent (AMD 48 billion) and number, by 31 percent (886526 more transactions).

ArCA cards development dynamics



Transactions using ArCA cards numbered 1538909 with a total value of AMD 62.9 billion. This represented 22 percent increase (AMD 11.23 billion) in value and 19 percent increase (249680 more transactions) in number, in relation to the third quarter of 2010.

A total of 1335376 transactions totaling AMD 77 billion have been carried out using VISA cards, and a total of 608120 transactions reaching AMD 30 billion have been carried out using MasterCard cards. The value and number of transactions using VISA and MasterCard have grown, respectively, by 35 percent (AMD 87.4 billion) and by 45 percent (AMD 9.4 billion), in relation to the third quarter of 2010.

Transactions executed through card servicing devices (Q3, 2011)

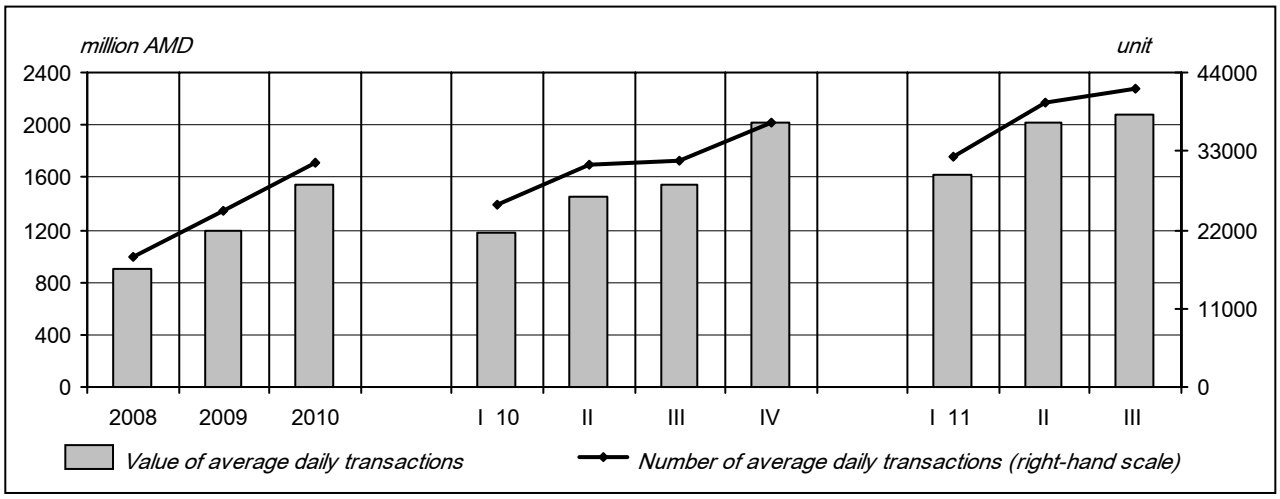
Device	Transactions			
	value (million AMD)	number	Including by ArCA cards	
			value (million AMD)	number
Automated teller machines	144325	3217260	52309	1358907
o/w, non-cash	422	54574	45	29963
POS – terminals / imprinters	40193	387125	9686	126958
o/w, non-cash	13122	276317	5305	81322
Internet	3167	143427	856	53044
Total	187686	3747812	62852	1538909
o/w, non-cash	16712	474318	6207	164329

A total of 265404 transactions reaching AMD 17.5 billion have been carried out using other international cards, which represented an increase of AMD 5.6 billion.

The average daily value of transactions using cards has been AMD 2085 million, with an average daily number of 41642 transactions. Relative to the third quarter of 2010, the average daily number of these transactions has increased by 31 percent (9850 more transactions) and the value, by 35 percent (AMD 538 million).

The monthly value of withdrawal of cash per payment card in the Republic of Armenia has reached AMD 64 thousand and the monthly value of non-cash withdrawal, AMD 6 thousand (numbers are, respectively, 1.22 and 0.2), which is roughly the same level compared to the third quarter of 2010.

Average daily transactions by payment cards in Armenia, by quarters 2008-2010 and 2010-2011



INTERNATIONAL MONEY TRANSFER SYSTEMS

Remittances of natural persons without having to open bank accounts are carried out through the mediation of commercial banks and money transfer organizations, as licensed by the Central Bank, functioning in the territory of the Republic of Armenia. In the third quarter of 2011, the value of inbound remittances to the Republic of Armenia through the banks participating in these systems reached AMD 167 billion (689965 remittances), a 9.8-fold increase compared to the value of outbound transfers. Relative to the third quarter of 2010, the value of inbound remittances has increased by 26 percent or AMD 34.5 billion. The average amount of an inbound remittance to the Republic of Armenia through these systems has been AMD 242 thousand, roughly the same level recorded in the third quarter of 2010.

In the third quarter of 2011, relative to the third quarter of 2010, the value of payments to natural persons executed through correspondent accounts of commercial banks operating in the Republic of Armenia reached about AMD 45 billion, representing 1.3 percent increase (AMD 563 million). The average value per payment has been AMD 3 million, representing AMD 0.9 million increase. In the meantime, outbound remittances by natural persons through the correspondent accounts of commercial banks functioning in the Republic of Armenia have amounted to AMD 65 billion, representing 16 percent (AMD 9 billion) increase in relation to the third quarter of 2010.

In the third quarter of 2011, the value of gross transfers to the Republic of Armenia executed through correspondent accounts (via SWIFT, telex, facsimile) of the Armenian commercial banks amounted to AMD 547 billion, with a total of 31349 remittances in number. The average value per transfer has been AMD 17.5 million, which represents 15 percent decrease in relation to the same quarter of the previous year.

PAYMENT AND SETTLEMENT ORGANIZATIONS

Four payment and settlement organizations executed inbound payments through their membership to international payment systems. In the period under review, the share of money remittance organizations in the total value of international transfers (including banks) has been 0.1 percent for outbound transfers and 0.7 percent for inbound transfers. In the third quarter, payment and settlement organizations executed inbound and outbound payments totaling, respectively, AMD 1.06 billion and AMD 0.1 billion. The average value per inbound transfer to the customer through these organizations has been AMD 112 thousand, representing AMD 8 thousand increase in relation to the same period of the previous year.

Five organizations engaged in processing and clearing of payment instruments as well as money remittances accept cash payments by collecting public utility fees. As of the end of the period under review, they have cooperated with a total of 47 organizations. On general, payment and settlement organizations accept payments for public utility services, phone and cellular phone and Internet fees, installments for credit repayment, fine/penalty amounts and other charges and state dues.

Cash payments are accepted through automated self-service terminals and registered branch offices. Also, services related to processing are offered to some commercial banks when they accept some other types of charges.

As of the end of the third quarter of 2011, there were 789 self-service terminals installed, through which a total of AMD 8.1 billion-worth of funds (4665192 transactions) were collected. This represented 53 percent increase in relation to the same period of the previous year.

As of the end of the third quarter of 2011, there were 22 branch offices of payment and settlement organizations. A total of 364110 transactions amounting to AMD 1.4 billion have been carried out through these branch offices.

There are payment and settlement organizations that provide processing and clearing services to 11 commercial banks. In cooperation with payment and settlement organizations, these banks collected public utility fees and charges through their branch offices, and a total of 89504 transactions amounting to nearly AMD 0.34 billion were executed.

Financial organizations: number and structure

Indicators	31.12. 09	31.03. 10	30.06. 10	30.09. 10	31.12.10	31.03.11	30.06.11	30.09.11
Banks	22	22	21	21	21	21	21	21
Banks by organizational structure	22	22	21	21	21	21	21	21
JSC	3	3	3	3	3	3	3	3
CJSC	18	18	17	17	17	17	17	17
LLC	1	1	1	1	1	1	1	1
Cooperative	0	0	0	0	0	0	0	0
Foreign participation	21	21	21	21	21	21	21	21
o/w: more than 50 percent	13	14	14	14	14	14	14	15
o/w: more than 95 percent	10	11	13	12	12	12	12	12
Foreign participation in statutory capital of banks, %	71.4	74.5	78.9	78.6	78.9	79.7	75.3	75.4
Credit organizations	27	28	29	32	32	31	31	31
Foreign participation	15	15	15	15	15	13	13	13
o/w: more than 50 percent	10	10	10	10	10	8	8	8
o/w: more than 95 percent	8	8	8	9	9	6	6	5
Foreign participation in statutory capital of credit organizations, %	46.5	40.9	40.3	39.9	36.3	32.5	39.9	39.8
Insurance companies	12	12	12	11	11	11	9	9
o/w: life insurance	0	0	0	0	0	0	0	0
o/w: non-life insurance	12	12	12	11	11	11	9	9
Foreign participation	9	9	9	8	8	8	7	7
o/w: more than 50 percent	7	7	7	6	6	6	5	5
o/w: more than 95 percent	5	5	5	4	4	4	3	3
Insurance brokers	5	5	5	5	5	5	4	4
Investment service providers in securities market[1]	30	30	29	29	29	29	29	29
o/w: investment service provider / bank	22	22	21	21	21	21	21	21
o/w: investment service provider company	8	8	8	8	8	8	8	8
Reporting issuer companies	19	17	17	17	15	15	15	15
Pawnshops	117	118	117	123	128	126	129	132
Licensed in the period under review	10	4	1	2	3	2	4	0
De-licensed in the period under review	2	3	2	0	2	3	0	0
Exchange offices[2]	250	252	243	253	254	259	256	248
Licensed in the period under review	4	1	1	1	3	1	0	1
De-licensed in the period under review	0	4	1	0	6	1	1	1
Currency dealers	2	4	3	3	2	2	1	1
Money transfer organizations	10	10	9	9	10	10	9	9

[1] Under the Republic of Armenia Law on Securities Market, effective June 30, 2008, professional entities have been re-licensed as investment service providers.

[2] Exchange offices that are active.

Banking Sector Indicators

(million AMD)

Indicators	Q2, 2010	Q3, 2010	Q4, 2010	Q1, 2011	Q2, 2011	Q3, 2011
Average quarterly assets[1]	1332528	1391971	1497538	1602581	1727526	1831322
Average quarterly loans	746948	789388	856369	927986	1025696	1078632
Average quarterly liabilities	1043860	1091911	1184488	1276176	1390297	1490583
Average quarterly deposits	611414	612280	637781	684778	726520	811816
Average quarterly capital	288667	300060	313050	326405	337229	340739
Average quarterly total capital adequacy ratio	28.8%	28.1%	22.6%	21.6%	20.4%	20.0%
Average quarterly total liquidity ratio	31.6%	29.8%	29.3%	29.3%	27.3%	27.7%
Average quarterly current liquidity ratio	134.6%	130.5%	132.3%	138.3%	133.2%	125.3%

[1] *Average quarterly indicators are calculated based on the median value of each three months in a quarter.*

Main Indicators of Commercial Banks and Changes Thereto[1]

(million AMD)

Indicators	31.12.2009	31.03.2010	30.06.2010	30.09.2010	31.12.2010	31.03.2011	30.06.2011	30.09.2011	Change 30.09.11 – 30.06.11
Core capital	**261419**	**269891**	**278430**	**291355**	**300829**	**335080**	**339694**	**343098**	**3404**
Statutory capital	**188641**	**192792**	**195212**	**203799**	**203799**	**210999**	**226432**	**226432**	**0**
Profit / loss[2], *o/w:*	**64570**	**68868**	**68449**	**72477**	**81950**	**90001**	**76496**	**81608**	**5112**
Profit (loss) in reporting period	8577	4235	11989	20666	30046	8108	19289	24472	5183
Interest income	114724	31383	64395	98989	136161	38665	81945	127172	45227
Interest expense	52925	14089	28407	42945	58667	17280	36834	58412	21578
Non-interest income	31746	8357	17200	27655	40654	10348	21932	34883	12951
Non-interest expense	59602	15651	32347	49301	69335	18102	37972	57767	19795
Other expense[5]	25396	5765	8847	13723	18766	5522	9721	21400	11680
Total liabilities[3], *o/w:*	**1047592**	**1098179**	**1035545**	**1111185**	**1241521**	**1321855**	**1419561**	**1541041**	**121480**
Correspondent accounts of banks	6531	10472	9821	7632	11539	7337	2831	9624	6793
Other liabilities to banks (including CBA)	211233	192907	190907	223949	267811	283141	323560	350649	27089
Liabilities to other financial institutions	87384	95924	97932	118465	138279	158597	188480	191914	3434
Demand liabilities to legal persons and natural persons	252480	274894	241966	260918	265045	283997	288636	349976	61340
Term deposits of legal persons and natural persons	374313	387103	354138	357443	408017	433339	460006	491549	31543
Total assets[4], *o/w:*	**1325807**	**1383592**	**1329239**	**1417835**	**1560472**	**1656935**	**1759256**	**1884138**	**124882**
Cash	64673	66568	64161	68727	74900	70391	68825	70446	1621
Correspondent accounts with banks (including CBA)	274858	291058	198963	203462	205044	227547	219417	259939	40522
Other claims on banks (including CBA)	67603	54557	66866	67657	84930	77154	105246	110143	4897
Claims on other financial institutions	16598	15540	15689	17855	20561	19002	24651	24810	159
Government securities, including:	109342	106748	112438	128331	151298	150803	146022	165805	19783
Securities issued by CBA	0	0	0	0	0	0	0	0	0
Other securities	4180	6267	5128	6038	5695	6473	7110	6077	-1033
Loans to legal persons and natural persons	703366	747459	758924	810409	888612	966603	1048231	1107038	58807
Loan investment, *o/w:*	**756287**	**784999**	**794821**	**837216**	**934383**	**1005698**	**1107235**	**1163748**	**56513**
1. Standard	719963	741064	756325	799366	905748	970014	1069835	1107738	37903
2. Watch	14875	23168	18337	18902	11320	20727	19345	34988	15643
3. Substandard	10104	16047	13753	13755	11257	8498	13858	13597	-261
4. Doubtful	11345	4721	6405	5193	6057	6459	4196	7426	3230

[1] Calculations cover banks that are under a general supervision framework.

[2] Includes profit (loss) of the previous and current period.

[3] Data do not include the liabilities on securities purchased under repo agreements and the liabilities on currency swap transactions.

[4] Data present total balance sheet assets of banks, including tangible assets and other claims as well as interest receivable. These are diminished to the extent of liabilities on securities purchased under repo agreements and on currency swap transactions.

[5] Data include net provisioning on assets and profit tax.

Main Indicators of Credit Organizations and Changes Thereto

(million AMD)

Indicators	31.12.2009	31.03.2010	30.06.2010	30.09.2010	31.12.2010	31.03.2011	30.06.2011	30.09.2011	Change 30.09.11 - 30.06.11
Net book value	**26159**	**29177**	**30298**	**32321**	**35877**	**41441**	**40039**	**42468**	**2429**
Statutory capital	**19800**	**22800**	**22800**	**23883**	**25592**	**28259**	**33782**	**34311**	**529**
Profit / loss[1], *o/w:*	**5904**	**5919**	**6820**	**7892**	**9569**	**12543**	**5231**	**7102**	**1871**
Profit (loss) in reporting period	2590	72	1396	2610	4301	3106	2258	1194	-1064
Interest income	10547	2725	5754	8752	11952	3476	6939	10826	3886
Interest expense	3292	902	1906	2889	3881	1003	2246	3448	1202
Non-interest income	3768	955	1634	2581	4149	1335	2445	4150	1705
Non-interest expense	4976	1257	2658	4023	5791	1753	3544	5549	2004
Net provisioning	2785	1340	1165	1397	1070	-1226	2196	2189	-6
Other expense[2]	673	109	255	415	1058	175	303	2596	2293
Total liabilities[3], *o/w:*	**49573**	**55568**	**55965**	**53779**	**51230**	**60311**	**63465**	**67192**	**3728**
Funds attracted from banks	20357	21792	18585	16964	10045	16994	17360	16248	-1112
Funds attracted from other financial institutions	11535	13102	13105	12254	13436	12975	14934	18413	3479
Demand liabilities to legal persons and natural persons	147	176	220	214	211	214	267	264	-3
Term liabilities to legal persons and natural persons	11395	13160	14692	14976	16233	19654	20150	20864	713
Total assets[4], *o/w:*	**75823**	**84842**	**86347**	**86184**	**87195**	**101752**	**103504**	**109660**	**6156**
Cash	664	600	185	181	247	277	285	324	40
Bank accounts	3147	7170	4396	5098	4078	6347	5323	4864	-459
Other claims on banks	15650	17928	20734	21198	17558	23420	25163	27178	2016
Claims on other financial institutions	543	839	1143	1292	1539	1736	2288	2564	277
Loans	45011	47968	49831	49174	55076	58999	62187	64842	2655
Financial lease	5285	4883	4880	4823	4578	4592	4727	5345	618
Government securities	2131	2613	2305	1041	744	451	403	651	248
Other securities	4	4	4	4	4	4	854	847	-6
Loan investment, *o/w:*	**59830**	**65517**	**70443**	**71277**	**72394**	**83663**	**88832**	**93975**	**5143**
1. Standard	57292	62540	68006	68676	70479	80940	86094	91289	5195
2. Watch	1469	1882	1592	1752	1080	1841	1637	1671	33
3. Substandard	576	623	426	554	421	583	655	604	-51
4. Doubtful	494	472	420	295	413	299	437	411	-26

[1] Includes profit (loss) of the previous and current period.
[2] Data include net provisioning on assets and profit tax.
[3] Data present total balance sheet liabilities of credit organizations, where other liabilities, liabilities to Armenian Government and interest payable are included in addition to the lines above mentioned.
[4] Data present total balance sheet liabilities of credit organizations, where tangible assets and other claims, interest payable are included in addition to the lines above mentioned but are diminished to the extent of liabilities on securities purchased under repo agreements and on currency swap transactions.
[5] The calculation of N1[1] includes only data of credit organizations which attract funds through public offer, according to statutory requirement established in their charter.

Main Indicators of Insurance Companies and Changes Thereto

(million AMD)

Indicators	31.12.2009	31.03.2010	30.06.2010	30.09.2010	31.12.2010	31.03.2011	30.06.2011	30.09.2011	Change (30.09.2011)-(30.06.2011)
Cash	239	19	34	32	331	49	49	19	-29
Bank accounts	1775	1164	1358	2276	3320	1582	1029	718	-311
Sums receivable on insurance	1761	1655	2254	2141	2249	3266	3129	2795	-335
Claims on indemnity	0	0	0	0	0	1720	1462	1525	63
Current deposits and other investment	165	114	86	165	222	391	315	338	23
Non-current deposits and other investment	8957	10271	9886	9995	12789	15183	14766	14194	-572
Loans	1635	861	548	837	816	844	625	720	95
Securities	132	455	574	1531	705	862	1713	1045	-668
Receivables	1243	1236	1235	1446	2611	3415	3103	2578	-525
Fixed assets	565	389	613	714	1426	1595	1403	1739	336
Reserves for possible irrecoverable loss	624	711	713	763	1123	1489	1702	1355	-347
Other assets	-311	-250	-228	-315	-338	-464	-551	-407	144
Cash	179	185	168	115	260	2021	2138	2059	-79
Assets, total	**16964**	**16809**	**17239**	**19702**	**25515**	**31952**	**30883**	**28678**	**-2205**
Dram	6937	6639	7702	9213	16160	21983	20826	19706	-1120
Foreign currency	10027	10170	9537	10489	9355	9969	10057	8972	-1085
Sums payable on insurance indemnity	20	18	43	108	91	99	101	168	68
Sums transferable to coinsurers and reinsurers	1579	896	1735	1435	1818	1189	1214	1254	40
Current loans	0	0	70	1107	103	0	0	0	0
Insurance reserves	2719	2837	2865	2917	2913	13367	11562	9951	-1611
Unearned insurance reserves	2051	2207	2214	2163	1997	11459	9365	6779	-2586
Claims reserve	536	481	483	559	607	1586	1869	2817	948
Mathematical reserve	0	0	0	0	0	0	0	0	0
Other reserves	132	149	168	195	309	322	328	355	27
Payables on budget and mandatory social security contributions	105	91	94	91	124	172	200	321	121
Non-current loans	0	0	0	0	0	0	0	0	0
Other liabilities	255	738	944	1428	7906	2075	2352	2471	119
Liabilities, total	**4678**	**4580**	**5751**	**7086**	**12956**	**16901**	**15429**	**14165**	**-1264**
Dram	3325	3913	4468	5134	11611	16310	15128	13838	-1290
Foreign currency	1353	667	1283	1952	1345	592	301	327	26
Statutory capital	10938	10654	9654	10985	12116	13476	13476	11933	-1543
Undistributed profit / loss in current period	776	363	11	-152	-945	1159	1615	2265	651
Undistributed profit / loss in previous period	336	868	1385	1386	892	-85	-141	-97	45
Other	235	345	438	397	496	501	504	411	-94
Equity, total	**12286**	**12229**	**11488**	**12616**	**12559**	**15051**	**15454**	**14513**	**-941**
Other indicators									
Insurance amounts	3386642	3344961	2968127	3250344	3052439	6956056	5719808	5976982	257174
Gross value of premiums	8103	1898	4786	6582	8253	12806	15393	18707	3313
Premiums transferred to reinsurer	4036	582	2427	3074	4010	453	1165	1700	535
Gross value of insurance indemnity	1901	355	782	1324	1746	1275	2897	5206	2309
Reinsurer's share in insurance indemnity	891	114	223	415	535	206	365	513	148

Main Indicators of Investment Service Providers

(million AMD)

Indicators	31.12.2009	31.03.2010	30.06.2010	30.09.2010	31.12.2010	31.03.2011	30.06.2011	30.09.2011	Change (30.09.2011) -(30.06.2011)
Net book value	**2936.3**	**2921.0**	**2787.5**	**2929.4**	**3196.2**	**3470.4**	**3753.1**	**3193.8**	**-559.3**
Undistributed profit / loss, o/w:	317.6	381.4	223.4	328.0	416.9	649.9	717.7	869.9	152.2
Profit in current period	210.6	98.3	29.7	205.5	295.8	252.3	478.2	602.8	124.6
Commission and proceeds from provision of IS	50.8	5.5	12.1	16.7	24.4	240.0	449.1	463.3	14.2
Net proceeds from sale of securities	2416.5	234.4	914.8	1234.8	1560.5	917.2	1126.6	1575.3	448.7
Statutory capital	1755.8	2280.6	2318.2	2351.9	2514.8	2578.8	2728.8	2099.6	-629.2
Total liabilities	**12636.6**	**10977.1**	**12365.9**	**14021.1**	**16359.9**	**15128.5**	**18730.5**	**17989.5**	**-740.9**
Loans from resident banks	1541.1	802.0	620.7	325.2	2017.6	1458.0	2360.7	826.2	-1534.5
Liabilities on repo agreements	10402.8	9581.7	11246.0	13197.2	13879.6	13370.7	15933.6	16839.6	905.9
Total balance sheet assets	**15572.9**	**13898.1**	**15153.4**	**16950.5**	**19556.1**	**18599.0**	**22483.6**	**21183.3**	**-1300.2**
Cash	166.1	177.9	184.2	189.3	200.2	208.0	8.1	13.3	5.2
Bank accounts	581.5	270.6	406.1	274.0	233.4	507.2	680.7	328.6	-352.1
Securities sold through repo agreements	10534.1	9858.6	11488.8	13404.0	14180.6	13619.6	16160.3	17101.0	940.6
Securities purchased through repo agreements	0.0	0.0	0.0	0.0	0.0	0.0	29.0	18.9	-10.1
Government securities	1116.6	1232.1	859.5	766.4	1713.4	2416.3	3725.7	1411.3	-2314.4
Other securities	1363.5	747.3	896.2	795.5	886.8	905.7	851.4	939.5	88.1

Operations by Investment Service Providers

(million AMD)

Indicators	2010				2011		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Operations by investment bank	**326718.0**	**328568.5**	**229798.0**	**114739.2**	**266369.1**	**510960.8**	**451313.5**
equity shares	1741.0	2021.0	2946.3	547.6	2812.5	6185.9	6599.5
o/w: traded on stock exchange	0.0	10.3	7.7	-	3.2	46.0	7.3
corporate bonds	460.2	526.8	82.5	242.3	4.0	970.5	126.9
o/w: traded on stock exchange	329.4	525.3	77.3	2.1	4.0	6.1	56.7
government bonds	42546.8	44406.5	69378.9	44284.7	81936.7	78201.0	84135.0
o/w: traded on stock exchange	1927.4	1413.9	5202.1	825.3	2824.2	670.1	3714.6
repo/reverse repo agreements[1]	281970.0	281614.2	157390	69665	181616	425603	360452
o/w: traded on stock exchange	1372.4	822.8	658	621	435.7	709.5	472.8
Operations by investment company	**41637.3**	**44730.2**	**53622.8**	**23125.4**	**42851.4**	**55798.9**	**61415.4**
equity shares	44.7	82.5	27.6	49.4	388.6	343.3	601.1
o/w: traded on stock exchange	2.5	11.9	14.6	19.4	170.0	148.6	13.9
corporate bonds	1170.1	799.9	944.5	119.7	224.8	176.7	507.0
o/w: traded on stock exchange	1149.9	780.6	936.6	119.7	203.0	176.7	380.8
government bonds	4474.0	5577.8	7897.9	5121.8	5675.5	7517.6	6540.6
o/w: traded on stock exchange	324.8	30.7	453.2	-	-	-	-
repo/reverse repo agreements [1]	35948.4	38270.1	44752.8	17834.4	36562.5	47761.3	53766.6
o/w: traded on stock exchange	1131.9	920.8	775.8	621.0	435.7	768.3	567.4

[1] *Repo and reverse repo agreements do not include rollovers.*

Payments executed by Central Bank, Commercial Banks and Treasury via the Central Bank systems

Period	Gross				Government securities accounting and settlements system		Total, via the CBA*		Stock exchange-related transfers	
	Electronic*		Paper							
	Value (million AMD)	Number	Value (million AMD)	Number	Value (million AMD)	Number	Value (million AMD)	Number	Value (million AMD)	Number
2010										
Q1	1262858	640985	688950	33795	148297	1046	2100105	675826	9496297	4963
Share in payments (%)	60.13	94.84	32.81	5.00	7.06	0.15	100	100		
Q2	1755508	774247	1179761	35556	106883	732	3042152	810535	12614414	6364
Share in payments (%)	57.71	95.52	38.78	4.39	3.51	0.09	100	100		
Q3	2240052	821259	1565602	38665	163558	1005	3969211	860929	9374108	5942
Share in payments	56.44	95.39	39.44	4.49	4.12	0.12	100	100		
Q4	2265156	968452	1971135	42412	186706	956	4422997	1011820	10060316	5932
Share in payments (%)	51.21	95.71	44.57	4.19	4.22	0.09	100	100		
Total	7523573	3204943	5405448	150428	605444	3739	13534465	3359110	41545135	23201
Share in payments (%)	55.59	95.41	39.94	4.48	4.47	0.11	100	100		
2011										
Q1	1782526	784220	1960157	36116	203913	874	3946595	821210	9553069	5432
Share in payments (%)	45.17	95.50	49.67	4.40	5.17	0.11	100	100		
Q2	1772684	947940	2536593	36134	273546	1037	4582823	985111	11282630	5901
Share in payments (%)	38.68	96.23	55.35	3.67	5.97	0.11	100	100		
Q3	1741856	991087	2726957	39933	189337	849	4658150	1031869	11393799	5902
Share in payments	37.39	96.05	58.54	3.87	4.06	0.08	100	100		

** Excluding transfers related to stock exchange trades.*

Cards Issued (Serviced) by Commercial Banks Operating in the Republic of Armenia

Banks	ArCa	MASTER CARD	VISA	AMEX	Other
Armbusinessbank	+	+	+		
Anelik Bank	+	+	+		
Ararat Bank	+	+	+		+
Ameria Bank	+	+	+		
VTB-Armenia Bank	+		+		
Armeconombank	+	+			
Prometey Bank	+	+			
BTA Bank	+	+			
Armenian Development Bank	+	+			
Converse Bank	+	+	+		+
Ineco Bank	+				
Mellat Bank	+				+
Byblos Armenia Bank	+	+			
HSBC Bank Armenia	+	+	+		+
ACBA-Credit Agricole Bank	+	+	+	+	
Artsakh Bank	+	+			
Areximbank-Gazprombank	+	+	+		
Unibank	+	+	+		
Ardshininvestbank	+	+	+		
Armswissbank					
Procredit Bank			+		
All Armenian Bank					

CENTRAL BANK STATEMENT ON FINANCIAL STANDING

(as of September 30, 2011)

(thousand AMD)

	30.09.11	*30.06.11*	*31.12.10*
Assets			
Assets in foreign currency			
Cash	7,066,298	7,658,919	7,552,047
Funds allocated with banks and other financial institutions	190,924,344	151,135,770	158,102,101
Financial instruments at fair value which, when re-measured, generate gains and losses that are recognized in financial account	371,825,933	355,724,128	404,632,917
Assets available for sale	917	917	917
Assets held up to maturity	152,042,149	136,905,589	95,678,521
Holdings with the IMF	59,247,558	60,366,610	63,670,237
Other assets	665,603	56,389	874,492
	781,772,802	**711,848,322**	**730,511,232**
Assets in local currency			
Loans and reverse repurchase agreements	92,016,333	87,408,229	70,615,499
Assets available for sale	120,983,645	97,794,433	88,705,765
Assets held up to maturity	4,342,341	4,270,618	4,132,916
Fixed assets	30,339,774	27,952,550	26,312,189
Intangible assets	609,919	562,469	583,179
Other assets	7,782,721	5,279,241	3,752,261
	256,074,733	**223,267,540**	**194,101,809**
Assets, total	**1,037,847,535**	**935,115,862**	**924,613,041**
Liabilities and Equity			
Liabilities in foreign currency			
Deposits and account balances of financial institutions and other institutions	114,261,865	89,281,502	99,650,034
Liabilities to the Government	4,285,466	3,992,963	3,989,112
Liabilities to the IMF	81,108,386	82,412,048	82,284,509
Financial instruments at fair value which, when re-measured, generate gains and losses that are recognized in financial account	259,100	159,506	19,478
Other loans	28,856,915	29,518,696	27,599,809
Other liabilities	146,233	135,037	146,096
	228,917,965	**205,499,752**	**213,689,038**
Liabilities in local currency			
Notes and coins in circulation	359,565,090	338,922,765	348,164,734
Deposits and account balances of financial institutions and other Institutions	115,091,464	101,072,228	80,825,771
Liabilities to the Government	111,985,681	94,478,800	106,545,573
Liabilities to the IMF	213,418,810	206,518,348	195,802,721
Other liabilities	1,650,292	1,492,072	1,353,894
	801,711,337	**742,484,213**	**732,692,693**
Liabilities, total	**1,030,629,302**	**947,983,965**	**946,381,731**
Equity			
Capital issued	100,000	100,000	100,000
General reserve	17,389,049	17,389,049	17,389,049
Additional statutory capital	107,531,884	85,663,194	85,663,194
Revaluation reserve for assets available for sale	(1,591,335)	(1,417,007)	(1,628,760)
Loss accrued	(116,211,365)	(114,603,339)	(123,292,173)
Equity, total	**7,218,233**	**(12,868,103)**	**(21,768,690)**
Liabilities and Equity, total	**1,037,847,535**	**935,115,862**	**924,613,041**

This Central Bank Statement on Financial Standing was approved by the Board of Central Bank on November 22, 2011 and signed thereafter.

ARTHUR JAVADYAN
Chairman

HAYKANUSH HAKOBYAN
Chief Accountant

INTERNATIONAL RESERVES OF THE REPUBLIC OF ARMENIA

By virtue of Article 52 of the Republic of Armenia Law on Central Bank, the Central Bank hereby presents

SURVEY INFORMATION

on condition and composition of international reserves of the Republic of Armenia

Q3, 2011 (closing entries included)

Beginning of quarter	SDR		USD
I. Foreign assets gross			1,782,034,585.73
including:			
International reserves (gross foreign assets in free convertible currency)			1,782,034,032.91
o/w:			
SDR with the IMF	10,257,135.00		16,416,012.48
Reserve position with the IMF	0.00		0.00
II. Foreign assets net			1,065,463,805.99
o/w: in free convertible currency			1,065,463,253.17

End of quarter			
I. Foreign assets gross			1,955,100,105.74
including:			
International reserves (gross foreign assets in free convertible currency)			1,955,099,564.77
o/w:			
SDR with the IMF	9,974,754.00		15,576,815.50
Reserve position with the IMF	0.00		0.00
II. Foreign assets net			1,228,964,210.27
o/w: in free convertible currency			1,228,963,669.30

ARTHUR JAVADYAN
Chairman