



+509 2813-0334 | 0335 | 0336 | 0343 
administration@merove-pierre.com 
www.merove-pierre.com 

UNIBANK S.A.

Consolidated Financial Statements

September 30, 2015

(With Independent Auditors' Report Thereon)

Independent Auditors' Report

The Board of Directors
UNIBANK S.A.:

We have audited the consolidated financial statements of UNIBANK S.A. and its subsidiaries which comprise the consolidated balance sheet as of September 30, 2015, the consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and consistently applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.



The Board of Directors
Page 2

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of UNIBANK S.A. and its subsidiaries as of September 30, 2015, and the consolidated results of their operations and their consolidated cash flows for the year then ended, in conformity with International Financial Reporting Standards.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules I to V is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Itleron - Guerin - Cabinet d'Experts - Comptables

Port-au-Prince, December 10, 2015

UNIBANK S.A.
Consolidated Balance Sheets
September 30, 2015 and 2014
(Expressed in thousands of Haitian Gourdes)

| | Notes | 2015 | 2014 |
|---|-------|-------------------|-------------------|
| ASSETS | | | |
| CASH AND CASH EQUIVALENTS | 5 G | 29,371,454 | 20,357,423 |
| HAITIAN TRESASURY BONDS | 6 | 771,926 | 683,658 |
| INVESTMENTS | 7 | 9,167,729 | 5,629,430 |
| LONG-TERM CORPORATE INVESTMENTS | 8 | | |
| Affiliated companies | | 3,024,288 | 2,905,966 |
| Others | | 146 | 146 |
| | | <u>3,024,434</u> | <u>2,906,112</u> |
| LOANS | 9 | 22,766,095 | 23,994,946 |
| Impairment provision | | (284,974) | (189,082) |
| | | <u>22,481,121</u> | <u>23,805,864</u> |
| FIXED ASSETS, NET | 10 | | |
| Fixed assets, at cost | | 3,513,434 | 3,165,548 |
| Accumated depreciation | | (1,902,932) | (1,686,869) |
| | | <u>1,610,502</u> | <u>1,478,679</u> |
| OTHER | | | |
| Investment properties | 11 | 1,012,834 | 910,093 |
| Acceptances and letters of credit | | 153,667 | 290,748 |
| Other assets | 12 | <u>1,610,566</u> | <u>1,505,258</u> |
| | | <u>2,777,067</u> | <u>2,706,099</u> |
| | G | 69,204,233 | 57,567,265 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| DEPOSITS | 13 | 53,567,711 | 45,572,898 |
| DEBT | 14 | 4,615,586 | 2,119,926 |
| OTHER | | | |
| Term bonds | 15 | 390,543 | 458,048 |
| Commitments – acceptances and letters of credit | | 153,667 | 290,748 |
| Other liabilities | 16 | <u>3,477,756</u> | <u>3,233,447</u> |
| | | <u>4,021,966</u> | <u>3,982,243</u> |
| SUBORDINATED DEBT | 17 | 130,482 | 100,000 |
| TOTAL LIABILITIES | | 62,335,745 | 51,775,067 |
| SHAREHOLDERS' EQUITY | | | |
| Paid-in capital | 18 | 3,240,025 | 2,093,492 |
| Treasury shares | | - | (788) |
| Share capital, net | | 3,240,025 | 2,092,704 |
| Retained earnings | | 2,716,380 | 2,287,721 |
| Paid-in surplus | | - | 31,734 |
| Other reserves | | <u>674,940</u> | <u>1,168,907</u> |
| Shareholders' equity of UNIBANK S.A. | | <u>6,631,345</u> | <u>5,581,066</u> |
| Minority interest in subsidiaries | 19 | <u>237,143</u> | <u>211,132</u> |
| | | 6,868,488 | 5,792,198 |
| | G | 69,204,233 | 57,567,265 |

See accompanying notes to consolidated financial statements, and schedules I to V for supplementary information in US dollars.

UNIBANK S.A.**Consolidated Statements of Income****Years ended September 30, 2015 and 2014****(Expressed in thousands of Haitian Gourdes)**

| | Notes | 2015 | 2014 |
|--|-------|------------------|-----------------|
| INTEREST INCOME | | | |
| Loans | G | 2,979,003 | 2,251,476 |
| Haitian Treasury bonds, investments and deposits | | <u>107,557</u> | <u>63,025</u> |
| | | 3,086,560 | 2,314,501 |
| INTEREST EXPENSE | | | |
| Deposits | | 285,424 | 84,032 |
| Long-term debt, term bonds and other | | <u>79,092</u> | <u>60,320</u> |
| | | 364,516 | 144,352 |
| NET INTEREST INCOME | | | |
| Impairment charge for credit loss | 9 | <u>(207,640)</u> | <u>(97,649)</u> |
| | | 2,514,404 | 2,072,500 |
| OTHER INCOME (EXPENSES) | | | |
| Commissions | | 1,630,508 | 1,672,690 |
| Share of net income of non-consolidated affiliates, net of income taxes | 8 (b) | 406,818 | 489,658 |
| Foreign exchange gain | | 1,111,286 | 437,221 |
| Insurance underwriting income, net of claims | 23 | 62,501 | 80,367 |
| Dividends and other investment revenue | | 56,311 | 49,721 |
| Income from real estate investments | | 44,347 | 21,576 |
| Underwriting commissions and other advisory fees | | 12,993 | 14,332 |
| Unrealized loss on foreign debt securities | 7 | (30,058) | (18,612) |
| Other | | <u>15,633</u> | <u>94,501</u> |
| | | 3,310,339 | 2,841,454 |
| NET INTEREST INCOME AND OTHER INCOME | | | |
| | | 5,824,743 | 4,913,954 |
| OPERATING EXPENSES | | | |
| Salaries and other employee benefits | 22 | 1,599,414 | 1,377,655 |
| Premises and equipments | | 537,097 | 497,060 |
| Depreciation | 10 | 272,080 | 251,622 |
| Other operating expenses | | <u>981,204</u> | <u>821,711</u> |
| | | 3,389,795 | 2,948,048 |
| INCOME BEFORE INCOME TAXES | | | |
| | | 2,434,948 | 1,965,906 |
| INCOME TAXES | | | |
| CURRENT | 20 | 482,493 | 241,302 |
| DEFERRED | | <u>71,909</u> | <u>38,733</u> |
| | | 554,402 | 280,035 |
| NET INCOME | | | |
| | | 1,880,546 | 1,685,871 |
| Net income attributable to UNIBANK S.A. shareholders | | | |
| | | 1,835,926 | 1,665,707 |
| Net income attributable to minority interest | | | |
| | | 44,620 | 20,164 |
| NET INCOME | | | |
| | | 1,880,546 | 1,685,871 |
| Net income per equivalent share of paid-in capital attributable to the shareholders of UNIBANK S.A. | | | |
| | G | 3,541 | 3,213 |

See accompanying notes to consolidated financial statements, and schedules I to V for supplementary information in US dollars.

UNIBANK S.A.
Consolidated Statements of Comprehensive Income
Years ended September 30, 2015 and 2014
(Expressed in thousands of Haitian Gourdes)
(Except for comprehensive income per equivalent share)

| | Note | 2015 | 2014 |
|---|----------|------------------|-----------|
| NET INCOME | G | 1,880,546 | 1,685,871 |
| <i>Components of comprehensive income:</i> | | | |
| Foreign currency translation effect for foreign subsidiaries | | 208,092 | 21,952 |
| Net change in fair value of available-for-sale foreign debt securities: | | | |
| Realized loss, net of foreign exchange effect, transferred to the consolidated statement of income | | - | 32,293 |
| | | - | 32,293 |
| Income tax effect of components of comprehensive income | 20 | - | (9,688) |
| | | - | 22,605 |
| COMPREHENSIVE INCOME FOR THE YEAR | | 2,088,638 | 1,730,428 |
| Comprehensive income attributable to the shareholders of UNIBANK S.A. | | 2,043,357 | 1,710,094 |
| Comprehensive income attributable to minority interest | | 45,281 | 20,334 |
| COMPREHENSIVE INCOME FOR THE YEAR | | 2,088,638 | 1,730,428 |
| Comprehensive income per equivalent share of paid-in capital attributable to the shareholders of UNIBANK S.A. | G | 4,029 | 3,294 |

See accompanying notes to consolidated financial statements, and schedules I to V for supplementary information in US dollars.

UNIBANK S.A.
Consolidated Statement of Shareholders' equity
Year ended September 30, 2014
Expressed in Haitian Gourdes

| | | Paid-in capital | Treasury shares | Paid-in surplus | Retained earnings | Other reserves | | | | | Minority interest in subsidiaries | Total | |
|---|----------|------------------|-----------------|-----------------|-------------------|----------------|---------------------------------|--------------------------|--|------------------------|-----------------------------------|----------------|------------------|
| | | | | | | Legal reserve | General reserve for loan losses | Revaluation reserve-land | Unrealized loss on foreign debt securities | Translation adjustment | | | Total reserves |
| Balance as of September 30, 2013 | G | 2,093,492 | - | 33,316 | 1,858,335 | 407,185 | 251,799 | 24,911 | (22,605) | 142,471 | 803,761 | 197,945 | 4,986,849 |
| Net income for the year | | - | - | - | 1,665,707 | - | - | - | - | - | - | 20,164 | 1,685,871 |
| <i>Components of comprehensive income:</i> | | | | | | | | | | | | | |
| Realized gain transferred to the Consolidated statement of income | | - | - | - | - | - | - | - | 22,605 | - | 22,605 | - | 22,605 |
| foreing currency translation effect for foreign subsidiaries | | - | - | - | - | - | - | - | - | 21,782 | 21,782 | 170 | 21,952 |
| Total | | - | - | - | 1,665,707 | - | - | - | 22,605 | 21,782 | 44,387 | 20,334 | 1,730,428 |
| <i>Transfer from retained earning</i> | | | | | | | | | | | | | |
| Transfer to legal reserve | | - | - | - | (286,759) | 286,759 | - | - | - | - | 286,759 | - | - |
| Transfer to general reserve for loan losses | | - | - | - | (34,000) | - | 34,000 | - | - | - | 34,000 | - | - |
| <i>Transaction with shareholders:</i> | | | | | | | | | | | | | |
| Cash dividends | | - | - | - | (915,562) | - | - | - | - | - | - | (7,147) | (922,709) |
| Repurchase of shares | | - | (788) | (1,582) | - | - | - | - | - | - | - | - | (2,370) |
| Balance as of September 30, 2014 | G | 2,093,492 | (788) | 31,734 | 2,287,721 | 693,944 | 285,799 | 24,911 | - | 164,253 | 1,168,907 | 211,132 | 5,792,198 |

See accompanying notes to consolidated financial statements, and schedules I to V for supplementary information in US dollars.

UNIBANK S.A.
Consolidated Statement of Shareholders' equity
Year ended September 30, 2015
Expressed in Haitian Gourdes

| | | Paid-in capital | Treasury shares | Paid-in surplus | Retained earnings | Other reserves | | | | | | Minority interest in subsidiaries | Total |
|---|----------|--------------------|--------------------|--------------------|----------------------|------------------|---------------------------------------|-----------------------------|--|---------------------------|-------------------|---|------------------|
| | | | | | | Legal reserve | General reserve for loan losses | Revaluation reserve-land | Unrealized loss on foreign debt securities | Translation adjustment | Total reserves | | |
| Balance as of September 30, 2014 | G | 2,093,492 | (788) | 31,734 | 2,287,721 | 693,944 | 285,799 | 24,911 | - | 164,253 | 1,168,907 | 211,132 | 5,792,198 |
| Net income for the year | | - | - | - | 1,835,926 | - | - | - | - | - | - | 44,620 | 1,880,546 |
| <i>Components of comprehensive income:</i> | | | | | | | | | | | | | |
| Foreign currency translation effect for foreign subsidiaries | | - | - | - | - | - | - | - | - | 207,431 | 207,431 | 661 | 208,092 |
| Total | | - | - | - | 1,835,926 | - | - | - | - | 207,431 | 207,431 | 45,281 | 2,088,638 |
| <i>Transfer from retained earnings</i> | | | | | | | | | | | | | |
| Transfer to legal reserve | | - | - | - | (334,197) | 334,197 | - | - | - | - | 334,197 | - | - |
| Transfer to general reserve for loan losses | | - | - | - | 7,454 | - | (7,454) | - | - | - | (7,454) | - | - |
| <i>Transactions with shareholders:</i> | | | | | | | | | | | | | |
| Transfer from general reserve to paid- in capital | | 1,028,141 | - | - | - | (1,028,141) | - | - | - | - | (1,028,141) | - | - |
| Transfer from retained earnings to capital | | 127,136 | | | (127,136) | - | - | - | - | - | - | - | - |
| Transfer from paid-in surplus and treasury shares to capital | | (11,245) | 21,476 | (10,231) | - | - | - | - | - | - | - | - | - |
| Cash dividends | | - | - | - | (953,388) | - | - | - | - | - | - | (19,270) | (972,658) |
| Repurchase of shares | | - | (20,688) | (25,664) | - | - | - | - | - | - | - | - | (46,352) |
| Sale of shares | | 2,501 | - | 4,161 | - | - | - | - | - | - | - | - | 6,662 |
| Balance as of September 30, 2015 | G | 3,240,025 | - | - | 2,716,380 | - | 278,345 | 24,911 | - | 371,684 | 674,940 | 237,143 | 6,868,488 |

See accompanying notes to consolidated financial statements, and schedules I to V for supplementary information in US dollars.

UNIBANK S.A.
Consolidated Statements of Cash Flows
Years ended September 30, 2015 and 2014
(Expressed in thousands of Haitian Gourdes)

| | Notes | 2015 | 2014 |
|---|--------|---------------------|-------------------|
| OPERATING ACTIVITIES | | | |
| Net income of the year | G | 1,880,546 | 1,685,871 |
| Adjustments to determine net cash flows provided by operating activities: | | | |
| Share of net income of non-consolidated affiliates | 8 (b) | (406,818) | (489,658) |
| Depreciation of fixed assets | 10 | 272,080 | 251,622 |
| Impairment charge for credit loss | 9 | 207,640 | 97,649 |
| Gain on disposal of fixed assets | | (5,308) | (4,532) |
| Gain on disposals of investment properties | 11 | (20,297) | (9,731) |
| Gain on disposals of properties held for sale | 12 (a) | (178) | (161) |
| Effect of revaluation of impairment provision in US dollars | 9 | 23,200 | 6,352 |
| Changes in other assets and liabilities resulting from operating activities: | | | |
| Net increase in deposits | | 7,994,813 | 2,457,198 |
| Increase in Haiti Treasury bonds | | (88,268) | (683,658) |
| Disbursements of loans, net | | 1,093,903 | (2,684,251) |
| Increase in investments, net | | (3,538,299) | (406,563) |
| Income taxes paid | | (318,071) | (66,396) |
| Changes in other assets and liabilities | | <u>341,906</u> | <u>1,022,561</u> |
| Net cash flows provided by operating activities | | 7,436,849 | 1,176,303 |
| INVESTING ACTIVITIES | | | |
| Acquisitions of fixed assets | 10 | (441,917) | (315,489) |
| Proceeds from disposals of fixed assets | | 43,615 | 27,812 |
| Net translation adjustment – fixed assets | 10 | (293) | (181) |
| Translation adjustment in local currency | | 207,431 | 21,782 |
| Translation adjustment attributable to minority interest | | 661 | 170 |
| Dividends received from non-consolidated affiliates | | 294,170 | 18,689 |
| (Increase) decrease of long-term corporate investments | | <u>(5,674)</u> | <u>42,077</u> |
| Net cash flows used in operating activities | | 97,993 | (205,140) |
| FINANCING ACTIVITIES | | | |
| Cash dividends – shareholders of UNIBANK S.A. | | (920,488) | (865,975) |
| Cash dividends – minority shareholders | | (19,270) | (7,147) |
| Increase of debt | | 2,495,660 | 1,395,812 |
| Decrease in term bonds | | (37,023) | 293,106 |
| Sales of shares | | 6,662 | - |
| Repurchases of shares | | <u>(46,352)</u> | <u>(2,370)</u> |
| Net cash flows provided by (used in) investing activities | | 1,479,189 | 813,426 |
| Net variation in cash and cash equivalents | | 9,014,031 | 1,784,589 |
| Cash and cash equivalents at beginning of year | | 18,316,657 | 18,052,879 |
| Effect of exchange rate fluctuation on cash and cash equivalents at beginning of year | | <u>2,040,766</u> | <u>519,955</u> |
| Cash and cash equivalents at end of year | 5 | G 29,371,454 | 20,357,423 |

See accompanying notes to consolidated financial statements, and schedules I to V for supplementary information in US dollars.

UNIBANK S.A.
Notes to Consolidated Financial Statements

1) ORGANIZATION

a) General information

UNIBANK S.A. (www.unibankhaiti.com) is a commercial bank corporation, property of 393 investors from the Haitian private sector. Its main activities include banking, financing, credit, brokerage and foreign exchange, in Haiti and abroad, in compliance with the laws on banking. It was founded on November 20, 1992, received its official Bank License on January 18, 1993, and launched its public operations on July 19, 1993.

In Haiti as well as in foreign countries, UNIBANK S.A., directly or through its subsidiaries (**note 19**), offers banking and financial services to its individual, commercial and institutional clients, using its national and international networks of:

- branches, agencies, service kiosks, offices and authorized paying agents;
- automatic teller machines (ATM);
- electronic point-of-sale terminals (POS);
- authorized money transfer representatives in United States and Canada; and
- correspondent banks and international money transfer companies operating globally.

UNIBANK S.A. is present across the Haitian territory and also offers online banking services (UNIBANK Online). The most important fields UNIBANK S.A. and its subsidiaries are involved in are the following:

- Commercial and investment bank services related to all segments of the Haitian population, urban or rural, as well as of the Haitian Diaspora:
 - commercial (micro-businesses; small to middle businesses (SMEs); middle-market commercial and industrial firms; big corporations) ;
 - institutions (Non-government organizations [NGOs]; churches; credit unions; embassies; pension funds; etc);
 - retail (individuals and families)
- Insurance (property-casualty insurance; life-insurance; micro-insurance)
- Private equity investments (real estate, commercial and industrial sectors).

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

1) **ORGANIZATION (CONTINUED)**

b) **Legal information**

The act of incorporation, the Bank License and the original by-laws of UNIBANK S.A. were published in the Official Journal of Haiti, *Le Moniteur*, number 19 of March 8, 1993. Thereafter, the authorized capital and the by-laws were modified several times by the shareholders (*Le Moniteur*, number 103 of December 28, 1994; number 74 of September 18, 1995; number 13 of February 17, 1997; number 43 of June 3, 2002; number 6 of January 24, 2005; number 63 of June 18, 2009 and number 137 of October 4, 2011). The most recent by-laws increasing the authorized capital to 3.5 billion Gourdes, voted by the Extraordinary General Meeting of September 25, 2015 (**note 18**), are currently being published in the Official Journal *Le Moniteur*. The Head Office and legal domicile of the Bank is at 157, Faubert street, Petion-Ville, Haiti.

c) **Supervision and Regularation**

Pursuant to laws dated August 17, 1979 creating Banque de la République d'Haïti (The Bank of the Republic of Haiti - BRH) (*Le Moniteur*, number 72 of September 11, 1979), and May 14, 2012 relative to banks and other financial organizations (*Le Moniteur*, number 4 - Special Edition of July 20, 2012). UNIBANK S.A. is regulated and supervised by the Central Bank (www.brh.net).

Regarding the fight against money laundering and the financing of terrorism (AML/CFT), UNIBANK S.A. reports to the Bank of the Republic of Haiti (BRH) and the Unité Centrale de Renseignements Financiers (Central Unit for Financial Intelligence - UCREF), pursuant to the laws of November 11, 2013 punishing money laundering and the financing of terrorism (*Le Moniteur*, number 212 of November 14, 2013), and of February 21, 2001 relative to the laundering of money from illegal drug trafficking and other serious violations (*Le Moniteur*, number 97 of December 3, 2001). UNIBANK S.A. is registered in the United States of America in compliance with the requirements of the «USA Patriot Act» and the « Foreign Account Tax Compliance Act (FATCA) ».

Regarding the fight against corruption, UNIBANK S.A., in addition to adhering to its principles of corporate governance and its Code of Ethics, complies with the information requests of the Unité de Lutte Contre la Corruption (Anti-Corruption Unit – ULCC) created by the decree of September 8, 2004 (*Le Moniteur*, number 61- Supplement of September 13, 2004) and is governed by:

- the law of March 12, 2014 on the prevention and punishment of corruption (*Le Moniteur*, number 87 of June 9, 2014);

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

1) ORGANIZATION (CONTINUED)

c) Supervision and Regularation (continued)

- the Inter-American Convention against Corruption of January 1st, 2000, ratified by the decree of December 19, 2000 (*Le Moniteur*, number 57 of July 10, 2002); and
- the United Nations Convention against Corruption of October 31, 2003, ratified by the decree of May 14, 2007 (*Le Moniteur*, number 2- Special issue of June 13, 2007).

UniTransfer S.A. (Haiti) and its foreign subsidiaries are governed and supervised:

- by the BRH in Haiti;
- by the US Treasury Department (FinCEN, OFAC and IRS) and the Consumer Financial Protection Bureau (Dodd-Frank Act) at the federal level in the United States of America;
- by the Banking Departments of the 11 States where UniTransfer holds a Banking License as « Money Transmitter » (Florida, New York, Massachusetts, New Jersey, Connecticut, Georgia, Illinois, Louisiana, Maryland, Pennsylvania, Rhode Island);
- by the Ministry of Finance of Canada (FINTRAC) at the federal level, and by the Province of Quebec Autorité des Marchés Financiers (Financial Market Authority – AMF).

In addition to regular inspections by the aforementioned regulatory bodies, UNIBANK S.A., UniTransfer S.A., UniTransfer USA, Inc., and UniTransfer Canada, Inc. retain the services of qualified international auditors to conduct independent audits of its compliance programs against money laundering and the financing of terrorism.

d) Scope and Consolidation

Subsidiaries of UNIBANK S.A. consolidated in these financial statements are presented in **note 19**. The principles of consolidation are commented in **notes 2b and 3d**.

FONDATION UNIBANK, a non-profit philanthropic organization created on April 6, 2006 by the shareholders of UNIBANK S.A., is not consolidated in these financial statements. At its creation, it received, as a donation, a permanent and unrecoverable endowment of 100 million gourdes (US\$ 2.5 Million) from UNIBANK S.A. It is financed by the investment earnings from its endowment, and by the annual contributions received from UNIBANK S.A.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

1) ORGANIZATION (CONTINUED)

e) Scope and Consolidation (continued)

The main goal of FONDATION UNIBANK is to implement the corporate social responsibility policy of UNIBANK S.A., by participating in the promotion of Education; Research; Arts and Culture; Health; Sports; the Protection of the Environment; the Preservation of National Heritage; Entrepreneurship; and the Rule of Law and Civics in Haiti. The by-laws of the Foundation were published in the Official Journal of Haiti, *Le Moniteur*, number 36 of April 17, 2008.

2) BASIS FOR FINANCIAL STATEMENT PREPARATION

(a) Accounting framework

The consolidated financial statements of UNIBANK S.A. and subsidiaries (the Group) were prepared in conformity with International Financial Reporting Standards (IFRS).

The consolidated financial statements were approved by the Board of Directors on December 18, 2015.

(b) Basis of consolidation

The consolidated financial statements include the assets and liabilities as well as the results of the operations and the cash flows of UNIBANK S.A. and its subsidiaries.

Subsidiaries are entities controlled by the Group. An entity is controlled by the Group when it has the power to govern the financial and operating policies of the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control has been effectively transferred to the Group. All intercompany balances and transactions are eliminated. The equity and net income attributable to minority interest in subsidiaries are shown separately in the consolidated financial statements.

(c) Basis of measurement

The consolidated financial statements are presented on a historical cost basis, with the exception of investments available for sale (**note 7**) investment properties (**note 11**), and land (**note 10**), which are presented at fair value.

The methods used to measure the fair value are described in the corresponding **notes 3 (c) (f) and (h)**.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

2) BASIS FOR FINANCIAL STATEMENT PREPARATION (CONTINUED).

(d) Functional and presentation currency

The consolidated financial statements are presented in Haitian Gourdes which is the Group's functional currency. The financial information reported has been rounded to the nearest thousand.

(e) Use of estimates and judgment

In preparing these consolidated financial statements in conformity with International Financial Reporting Standards, Management must make estimates and assumptions that affect the application of accounting policies and the reported amounts of recorded and contingent assets and liabilities, and also of income and expenses of the year. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed periodically. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In particular, information about significant areas of estimation and critical judgement in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are included in the following notes:

| | |
|--------------------------|---|
| Note 3 (o) | General reserve for loan losses |
| Note 7 | Investments |
| Notes 3 (e) and 9 | Loans - provision for impairment |
| Note 10 | Fixed assets, net |
| Note 11 | Investment properties |
| Note 12 | Other assets – goodwill and valuation of properties held for sale |
| Note 16 | Other liabilities - provision. |

According to Management, the consolidated financial statements were prepared on an adequate basis using fair judgment in all material respects and in accordance with the accounting policies summarized below.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

3) SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by the Group entities. Some comparative figures were reclassified for presentation purposes only.

(a) Conversion of foreign currencies

Monetary assets and liabilities stated in foreign currencies are translated in Haitian Gourdes at exchange rates prevailing at year end. Gains and losses resulting from this translation are included in the consolidated statement of income.

Transactions in foreign currencies are translated at the exchange rate in effect at the transaction date. Gains and losses related to foreign exchange operations are recorded in the consolidated statement of income.

The financial statements of entities incorporated outside of Haïti, Unitransfer International, GFN Real Estate LTD., GFN Real Estate LLC, International Sunrise Partners LLC, GFN Restaurant II LLC and SNI Minoterie L.P., expressed in US dollars, were translated in the currency of presentation of the consolidated financial statements. All assets and liabilities in foreign currency are translated in local currency at the official year-end exchange rate; revenues and expenses are translated at the average exchange rate for the year, which approximates the actual exchange rates on the dates of transactions. Translation adjustments resulting from this process are recorded directly in the translation adjustment account, a component of shareholders' equity and in the consolidated statement of comprehensive income.

(b) Cash and cash equivalents

Cash and cash equivalents are short-term highly liquid investments which are readily convertible into known amounts of cash without notice and which are within three months of maturity when acquired. These are reflected at cost.

(c) Investments

Investments are composed of foreign and local investments.

Foreign investments are composed mainly of US Treasury Bills and Federal Agency Bonds, corporate bonds and term deposits. Local investments consist of equity investments and term bonds issued by local companies.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

3) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Investments (continued)

Investments are classified and measured as follows:

Amortized cost instruments held-to-maturity

Held-to-maturity investments are non derivative instruments with fixed and determined payments, with fixed maturity that the Bank has the capacity and intent to hold to maturity. Held-to-maturity investments are recorded at amortized cost, based on the effective net interest rate and net of impairment, if present. Unrealized holding gains and losses on investments held-to-maturity are not recorded but are disclosed in notes to the consolidated financial statements.

Fair value instruments

These available-for-sale investments are those other than amortized cost instruments held-to-maturity. Available-for-sale investments are recorded at their fair value based upon market quotations or based on available fair value information. The changes in fair value of this portfolio are recorded in the consolidated statement of income.

Gains and losses realized on sales of investments, as well as other than temporary decline in the value of the investments, are included in the determination of income of the year in which they occur.

(d) Long-term corporate investments

Long-term corporate investments represent long-term investments in various companies. **Affiliated companies** are those over which the Group maintains significant influence but does not control their financial and operational policies. A significant influence exists if the Group controls between 20% to 50% of voting rights of an entity. A **joint venture** is an entity where the Group shares control with another entity or Group.

Investments in affiliated companies and joint ventures are initially recorded at cost and are subsequently measured using the equity method. This method consists in recording the investment at cost, recognizing its share of income or loss as it is earned and reducing the investment by dividends declared or paid.

Other corporate investments with ownership of less than 20% are recorded at cost.

Gains and losses realized on sales of corporate investments, as well as other than temporary declines in original value, are included in the determination of consolidated income of the year in which they occur.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(3) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Loans

Originated loans are presented at their amortized cost.

Non-performing loans are those for which interest accrual has been discontinued. They are restored to an accrual basis when principal and interest payments are current and there is no longer any doubt regarding recovery based on Management's opinion.

Restructured loans are those for which the Bank has revised the terms due to deterioration in the financial situation of the borrower. These loans are reclassified as regular loans, if the terms of the restructuring are adhered to during this period and if regular loan classification criteria are met.

Loans are written off when all restructuring and collection efforts are completed and it is unlikely that other amounts will be recovered. Recoveries of loans written off are recorded in the impairment provision in the consolidated balance sheet. Credit card and micro finance loans are written off when they are in arrears for 270 days and 180 days respectively.

At balance sheet date, the Group assesses whether there is objective evidence of impairment in the loan portfolio. A loan is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the loan and that the loss event has an impact on the future cash flows of the loan.

The Bank establishes an impairment provision on loans taking into account observable data, such as default or delinquency by a borrower, collateral value, future recovery possibilities, the financial situation of the borrower, as well as other observable data relating to a borrower or a group of borrowers that correlate with defaults in the group. This provision is also based on Management's experience and judgment.

Loans are presented net of the impairment provision. This provision is increased by the charge for impairment loss recorded in the consolidated statement of income and decreased by write-offs net of recoveries, and net of the translation adjustment resulting from the revaluation of the provision for loan losses in US dollars.

The Bank meets the Central Bank's requirements on impairment provision as defined in Circular 87. When the required provision for loan losses in accordance with the Central Bank's regulations exceeds the estimate of impairment based on IFRS, the surplus of provision is recorded in the general reserve for loan losses reflected in shareholders' equity **(30)**.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(3) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Fixed assets

Fixed assets are recorded at cost, except for land which has been revalued and stated to fair value in accordance with International Financial Reporting Standard no. 16. Except for land, leasehold improvements and investments in progress, depreciation is calculated based on the estimated useful life using the straight-line method. Leasehold improvements are amortized over the lease terms using the straight-line method. Investments in progress will be depreciated over their estimated useful life from the time they are ready for usage.

Fair value of land has been determined based on appraisals made by independent real estate appraisers. The book value has been adjusted to the average appraised market value. The revaluation surplus has been recorded, net of deferred income taxes, in the revaluation reserve-land, a separate account of shareholders' equity **(3p)**.

Depreciation rates applied to the main categories of fixed assets are as follows:

| | |
|-------------------------|-------------|
| Buildings | 2.5% - 5.0% |
| Furniture and equipment | 20% |
| Computer equipment | 20% |
| Software | 20% - 100% |
| Leasehold improvements | 10% - 20% |
| Vehicles | 25% |

Residual value, useful life and depreciation methods of the various categories of fixed assets are reviewed periodically.

Major expenses for improvements and reconditioning are capitalized, and expenses for maintenance and repairs are charged to expenses.

Gains or losses realized on disposal of fixed assets are recognized in the consolidated statement of income. When revalued land and buildings are sold, the related surplus, reflected in the revaluation reserve, is transferred to retained earnings.

(g) Properties held for sale

Properties held for sale, reflected in other assets, consist of land and buildings obtained in settlement of unpaid loans or repossessed. They are reflected at the lower of their estimated fair value or cost which is equivalent to the balance of the unpaid loans plus interest receivable at the time of default, plus recovery fees incurred by the Bank.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(3) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Properties held for sale (continued)

These properties are actively marketed for sale in their current state in a period usually not exceeding one year, unless there are circumstances beyond the control of the Bank. The properties that do not meet those criteria are reclassified to investment properties.

The carrying value of these assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. In case of impairment, the carrying value is adjusted to the net realizable value which is equivalent to the estimated selling price in the normal course of business.

Fair value is estimated based on appraisals from independent real estate appraisers.

(h) Investment properties

Investment properties, presented in other assets, represent a building held by the Bank outside of Haiti for an unspecified period and use, with the objective that it will have an increase in value compared to its original book value. This investment property generates rental revenue.

This building is kept at fair value and is not depreciated. The fair value will be revised at the end of each year based on appraisals carried out by independent real estate appraisers.

All increase or decrease in value resulting from a change in fair value of this investment property will be recorded, net of deferred income tax, in the consolidated statement of income. Due to local income taxes paid for this buildings, it is not subject to deferred taxes.

Rental income and expenses related to the management of this building are recorded directly in the consolidated statement of income.

(i) Goodwill

Goodwill represents the excess of cost of acquisition over the fair value of the net assets acquired. Goodwill presented in other assets is not amortized and is evaluated every year end in order to identify any impairment in value. Goodwill is subject to an annual impairment test or more frequently if events or changes in circumstances indicate an impairment. Goodwill is presented at cost less impairment. Management believes that there is no significant decrease in the book value of goodwill as of the date of these consolidated financial statements.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(3) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Goodwill (continued)

Goodwill is established for each acquisition and is presented in other assets if the purchase price is higher than the fair value of the net assets acquired. If the purchase price is lower than the fair value of the net assets acquired, a negative goodwill is established and is accounted for as income in the consolidated results of the year.

(j) Acceptances and letters of credit

The Bank's potential liability with respect to trade acceptances and letters of credit is reflected as a liability on the consolidated balance sheet. The Bank's recourse against its customers in the case of a call on these commitments is reported as an asset for the same amount.

(k) Deposits, term bonds and subordinated debt

Deposits, term bonds and subordinated debt are recorded at cost. The estimated fair value of these liabilities is assumed to be equal to their carrying value since the interest rates are in line with the current market rates.

(l) Paid-in capital

Paid-in capital reported in shareholders' equity is composed of common shares.

(m) Paid-in surplus

The excess over par value received or paid by the Bank in capital stock transactions, is recorded in paid-in surplus. Paid-in surplus is decreased when treasury shares are repurchased, for the excess of the repurchase price over the nominal value of these shares. This excess is charged to retained earnings after the paid-in surplus becomes nil.

(n) Legal reserve

In agreement with the law on financial institutions, an amount of 10% of income before income taxes, reduced by prior years' losses, if any, is transferred every year in a reserve account in order to constitute the legal reserve, until such reserve reaches a maximum of 50% of the paid-in capital. Following an extraordinary General Assembly decision on September 25, 2015, effective on September 30, 2015 and, as authorized by the Central Bank, the legal reserves as of September 30, 2015 was transferred to paid-in capital.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(3) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) General reserve for loan losses

The general reserve for loan losses is created by direct transfer from retained earnings and represents the excess of the provision required by the Central Bank to cover potential loan losses and the general provision for loan losses over the assessment of impairment losses based on International Financial Reporting Standards. This reserve is not subject to distribution.

(p) Revaluation reserve-land

The revaluation surplus on land is reflected in the revaluation reserve-land, a component of shareholders' equity. This surplus will be transferred to retained earnings upon disposal of the land. All revaluation losses will be recorded directly as expenses in the consolidated statement of income unless they relate to an existing revaluation surplus for the same land, in which case the revaluation loss will first be applied to the revaluation reserve-land.

(q) Interest

Interest income and expenses are accounted for using the effective interest method. Interest includes primarily interest income on loans, investments and deposits, as well as interest expense on deposits, term bonds and subordinated debt.

Interest income is accounted for on the accrual basis. However, when a loan is classified as non-accrual (past due 89 days or more), interest ceases to be recognized and accrued, and uncollected interest is reversed against income of the current period. Interest payments received thereafter are recognized as revenue only if there is no doubt as to the ultimate recovery of the principal.

(r) Commissions

Commission income and expenses which are similar to service fees are recognized as income when the services are rendered.

Commissions that are material to the effective interest rate of a financial asset or liability are included in the measurement of the effective interest rate.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(3) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Income taxes

Income taxes are calculated on the consolidated income before income taxes for the year and comprise current and deferred income taxes. Current income taxes are taxes payable on the taxable income for the year using statutory tax rates and other adjustments that may affect income taxes payable. Deferred income taxes resulting from timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes are reflected in other assets or liabilities, as need be.

Income tax expense is recognized in the consolidated statement of income except to the extent that it relates to items of comprehensive income, in which case it is recorded therein. Items of comprehensive income are reflected net of income taxes, except for the effect of translation of foreign subsidiaries which is not subject to income taxes, because it is unlikely that the temporary difference will reverse in the foreseeable future.

The Group has recorded in other liabilities deferred income taxes resulting from lands revaluation. The related amounts will be reversed upon the sale of the lands.

(t) Regulatory reserve

According to the reserve requirements of the Central Bank of Haïti, as of September 30, 2015, a minimum of 44% of liabilities in local currency and 48% of liabilities in foreign currency must be held in non-interest bearing deposits at the Central Bank. As of September 30, 2014 the reserve rates were 37% on local currency liabilities and 40% on foreign currency liabilities. These reserves are held in the same currency as the liabilities they cover.

(u) Net income per equivalent share of paid-in capital

Net income per equivalent share of paid-in capital is calculated by dividing net income for the year attributable to shareholders of the Bank by the weighted average of equivalent common shares outstanding during the year.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(3) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Insurance

Insurance premiums are recognized as revenue over the duration of the insurance contracts, using the straight-line method. As of the balance sheet date, unearned insurance premiums are recorded as a liability in the reserve for unearned premiums. Revenue generated by insurance premiums is presented separately from commissions and net of related taxes and other charges levied on the premiums.

(w) New standards, amendments and interpretations not yet adopted

As of the date of these consolidated financial statements, some standards, amendments to standards, and interpretations have been issued but not yet adopted as of September 30, 2015. They have not been applied in the preparation of these consolidated financial statements and should not have a significant impact on the Group's consolidated financial statements.

(4) RISK MANAGEMENT

The financial risks which the Bank must manage are the following: liquidity risk, credit risk and market risk including interest rate risk, foreign exchange risk and the risk of fair value.

The Board of Directors has the ultimate responsibility to establish and oversee the Bank's risk management framework. The Board has established the following committees which are responsible for monitoring the Bank's risk management policies in their respective areas:

- ***Credit Committee***: The Credit Committee has the authority and responsibility to approve and reject credit requests, modify credit terms and approve the limits and the credit commitments. This committee defines the Bank's credit policies, ensures credit risk management and monitors the quality of the credit portfolio.
- ***Loan Review Committee***: This committee has the authority to evaluate the degree of inherent risk and decide on the rating of credit facilities, the strategy, the frequency of credit account reviews, write-offs, sign-offs, and on all actions to undertake in order to protect the Bank against the risk of credit loss.
- ***Asset-Liability Management Committee (ALCO)***: This Committee has put in place a prudent policy for managing liquidity, foreign exchange and interest rate risks. Within this committee, key Management personnel meets weekly to discuss the Bank's financial position and decide on interest rates, foreign exchange and investments.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(4) RISK MANAGEMENT (CONTINUED)

- ***Audit Committee:*** UNIBANK S.A.'s Audit Committee is responsible for monitoring the process of preparing financial information, overseeing the efficiency of the internal control system, the internal audit and the risk management policies, and supervising annual reporting on a consolidated basis.
- ***Compliance Committee:*** The Compliance Committee oversees that the Bank's policies and procedures are in adherence to the laws, the Bank's Code of Ethics and other regulations. It is also responsible to oversee that UNIBANK S.A. is in compliance with the laws and ensures that appropriate anti-money laundering and anti-terrorism policies and procedures are implemented and followed.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk Management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Group, through its Code of Ethics and its training programs, aims to develop and maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

A. LIQUIDITY RISK

If UNIBANK S.A. does not have sufficient liquidity to meet its current obligations, it is then exposed to liquidity risk. Prudent and effective management of liquidity is therefore an essential element of the Bank's policy to maintain market confidence and protect its capital.

To manage this risk, the Asset – Liability Management Committee (ALCO) of UNIBANK S.A. has put in place a prudent and dynamic policy of cash management which allows the Bank to have sufficient liquidity to meet its current obligations as they become due. In addition, Management closely monitors the maturity of deposits and loans as well as other resources and claims against those resources so as to ensure a proper matching between resources and obligations, while complying with the statutory requirements applicable to the Bank and its subsidiaries.

The Bank's cash management policy ensures constant monitoring of the Bank's liquidity and a dynamic management of its short-term and long-term liquidity needs. This monitoring is performed by the Treasury Department, under close supervision of the Bank's Asset - Liability Management Committee. This Committee meets weekly, and as needed, to analyze the reserve and liquidity position of the Bank, to take the appropriate decisions and amend the cash management policy when necessary.

UNIBANK S.A. is in compliance with the Central Bank regulations in terms of liquidity. As of September 30, it maintains the regulatory cash reserve required by Circular 78 (**note 3t**).

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(4) **RISK MANAGEMENT (CONTINUED)**

A. LIQUIDITY RISK (CONTINUED)

The maturity profile of the Bank's financial liabilities based on their initial contractual maturity is as follows as of September 30:

September 30, 2015

| (In thousands of gourdes) | 0 -3 months | 3-6 months | 6 months one year | More than a year | Total |
|---|--------------------------|-------------------------|-------------------------|-------------------------|--------------------------|
| Deposits (note 13): | | | | | |
| Demand deposits | G 22,325,502 | - | - | - | 22,325,502 |
| Savings accounts | 21,144,743 | - | - | 1,187,133 | 22,331,876 |
| Term deposits | <u>2,884,881</u> | <u>2,875,840</u> | <u>3,149,612</u> | <u>-</u> | <u>8,910,333</u> |
| | <u>46,355,126</u> | <u>2,875,840</u> | <u>3,149,612</u> | <u>1,187,133</u> | <u>53,567,711</u> |
| Debt (note 14) | 4,250,000 | - | - | 365,586 | 4,615,586 |
| Term bonds (note 15) | 390,543 | - | - | - | 390,543 |
| Commitments: acceptances and letters of credit | 153,667 | - | - | - | 153,667 |
| Subordinated debt (note 17) | - | - | - | 130,482 | 130,482 |
| Other liabilities | <u>3,291,496</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,291,496</u> |
| | <u>8,085,706</u> | <u>-</u> | <u>-</u> | <u>496,068</u> | <u>8,581,774</u> |
| | G 54,440,832 | 2,875,840 | 3,149,612 | 1,683,201 | 62,149,485 |

September 30, 2014

| (In thousands of gourdes) | 0-3 months | 3-6 months | 6 months one year | More than a year | Total |
|---|--------------------------|-------------------------|-------------------------|-----------------------|--------------------------|
| Deposits (note 13): | | | | | |
| Demand deposits | G 20,524,192 | - | - | - | 20,524,192 |
| Savings accounts | 18,915,134 | - | - | 875,622 | 19,790,756 |
| Term deposits | <u>2,283,705</u> | <u>1,220,366</u> | <u>1,753,432</u> | <u>447</u> | <u>5,257,950</u> |
| | <u>41,723,031</u> | <u>1,220,366</u> | <u>1,753,432</u> | <u>876,069</u> | <u>45,572,898</u> |
| Debt (note 14) | 2,057,846 | - | - | 62,080 | 2,119,926 |
| Term bonds (note 15) | 458,048 | - | - | - | 458,048 |
| Commitments: acceptances and letters of credit | 290,748 | - | - | - | 290,748 |
| Subordinated debt (note 17) | - | - | - | 100,000 | 100,000 |
| Other liabilities | <u>2,946,256</u> | <u>-</u> | <u>-</u> | <u>114,006</u> | <u>3,060,262</u> |
| | <u>5,752,898</u> | <u>-</u> | <u>-</u> | <u>276,086</u> | <u>6,028,984</u> |
| | G 47,475,929 | 1,220,366 | 1,753,432 | 1,152,155 | 51,601,882 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(4) RISK MANAGEMENT (CONTINUED)

B. CREDIT RISK

Credit risk results from the inability of a borrower to fulfill its financial or contractual obligations towards the Bank.

To manage this risk, UNIBANK S.A. has put in place various policies and procedures which allow a strict and systematic monitoring of its liquidities, its investments, its loan portfolio and other assets.

The maximum exposure to credit risk relates to the following significant financial assets:

| (In thousands of gourdes) | 2015 | 2014 |
|--|--------------------------|-------------------|
| Cash and cash equivalents (note 5) | | |
| Deposits with BRH (Central Bank) and BNC | G 26,528,586 | 18,120,031 |
| Deposits in foreign banks | 1,418,078 | 904,979 |
| Items in transit | <u>494,562</u> | <u>594,106</u> |
| | <u>28,441,226</u> | <u>19,619,116</u> |
| Haitian Treasury bond (note 6) | <u>771,926</u> | <u>683,658</u> |
| Investments | | |
| Foreign investments (note 7) | 9,048,252 | 5,586,517 |
| Local investments (note 7) | <u>119,477</u> | <u>42,913</u> |
| | <u>9,167,729</u> | <u>5,629,430</u> |
| Credit | | |
| Loans, net (note 9) | 22,481,121 | 23,805,864 |
| Acceptances and letters of credit | <u>153,667</u> | <u>290,748</u> |
| | <u>22,634,788</u> | <u>24,096,612</u> |
| Other assets (note 12) | | |
| Receivable – transfer agents | 203,398 | 138,638 |
| Interest receivable | 173,339 | 229,078 |
| Accounts receivable – affiliated companies | 126,934 | 54,814 |
| Premiums receivable – Uniassurances S.A. | 121,390 | 61,373 |
| Advances to suppliers and others | 67,383 | 44,109 |
| Advances to executives and managers | 44,695 | 66,529 |
| Dividends receivable | 7,127 | 7,127 |
| Recoverable from reinsurers – Uniassurances S.A. | 1,213 | 3,856 |
| Gourdes receivable on foreign exchange contracts | - | 100,000 |
| Other | <u>233,994</u> | <u>190,204</u> |
| | <u>979,473</u> | <u>895,728</u> |
| Total financial assets | G 61,995,142 | 50,924,544 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(4) RISK MANAGEMENT (CONTINUED)

B. CREDIT RISK (CONTINUED)

i. Cash and cash equivalents

Cash and cash equivalents are held at important financial institutions that the Bank considers as being solid. The financial viability of these institutions is reviewed periodically by the Asset Liability Management Committee. As of September 30, 2015 and 2014, 93% of these cash and cash equivalents are kept at the Central Bank as reserve coverage.

Monetary policies adopted by the Central Bank of Haiti, the Federal Reserve Bank in the United States of America or other international institutions located in territories where the Bank holds financial assets, may have an impact on the Bank's activities, results and financial position.

ii. Haitian Treasury bonds

As of September 30, 2015, Management considers the risk on Treasury bonds issued by the Haitian Government to be low. Management is confident that the Haitian Treasury can fulfill its commitments within the contractual deadlines.

iii. Investments

Investment risk occurs when a security loses value due to unfavorable financial performance, real or expected, of the issuer. To manage this risk, UNIBANK S.A. has developed and put in place policies and procedures which define clearly the nature and quality of the investments that Management may select.

The main aspects of the Bank's policy may be summarized as follows:

- Invest in negotiable securities, which have superior credit ratings, are highly liquid, readily marketable and with minimal risk of capital loss.
- Invest in overseas banks and/or in investment grade securities (AAA, AA, A, BBB) such as US Treasury Bonds, or certificates of deposits issued by prime American or European banks. Corporate securities (bonds, commercial paper, asset backed securities) must be "investment grade".
- Invest in Haiti in BRH (Central Bank) bonds and in Treasury Bonds issued by the Republic of Haiti.
- Avoid taking positions which are speculative.
- Avoid concentration by amount, by sector, by type of instrument and by financial institution. In that respect, limits are established by the Asset-Liability Management Committee.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(4) RISK MANAGEMENT (CONTINUED)

B. CREDIT RISK (CONTINUED)

iii. Investments (continued)

The Bank considers BRH (Central Bank) bonds, United States Government and Federal Agencies bonds as risk free. Equity instruments, investments in corporate bonds and other similar instruments are considered as moderate risk investments while having an “Investment Grade” classification. To monitor this risk, the Group invests in instruments of which they master the operational and financial mechanisms, with a return proportionate to the risks. The financial information is reviewed periodically to evaluate the viability of these investments.

iv. Credit

Credit risk is managed by the Credit Committee through the credit policy which it has defined. The Credit Committee, which includes executive officers who are members of the Board and Bank Management, meets weekly and as needed to make decisions on loan approval requests, renewals or amendments to existing facilities. In addition to the Credit Administration Department, the approval process is also reinforced by the existence of a unit of control and evaluation of credit risk named “Credit Risk Management”. This unit independently reviews credit files to evaluate supporting documentation and assess credit quality and risks.

UNIBANK S.A.’s ability to manage credit losses is ensured through an appropriate diversification of risks, the type of guarantees obtained, sufficient shareholders’ equity and impairment provision. The guarantees required from the borrowers also constitute an important factor of risk coverage, since an important part of the loan portfolio is covered by first lien on top tangible assets.

Within the Bank’s policy framework, the Bank complies as of September 30, 2015 and 2014, with BRH’s prudential regulations: Circular no. 87 on loan classification and calculation of provision for loan losses, Circular no. 83-4 on credit concentration which limits credit extension by borrower and by economic sector to a percentage of the Bank’s statutory capital requirements, and Circular no. 97 requiring that loans in foreign currency do not exceed 50% of liabilities in foreign currency.

v. Other assets

The Bank considers the credit risk related to other financial assets as low.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(4) RISK MANAGEMENT (CONTINUED)

B. CREDIT RISK (CONTINUED)

vi. Geographic allocation of financial risk

The geographic allocation of credit risk based on the ultimate location of assets is as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|----------------------------------|--------------------------|-------------------|
| Cash and cash equivalents | | |
| Haïti | G 27,019,271 | 18,709,215 |
| United States | 1,165,453 | 392,711 |
| Canada | 84,512 | 263,123 |
| Europe | <u>171,990</u> | <u>254,067</u> |
| | <u>28,441,226</u> | <u>19,619,116</u> |
| Haitian Treasury bonds | <u>771,926</u> | <u>683,658</u> |
| Investments | | |
| Haïti | 119,477 | 42,913 |
| United States | 7,748,907 | 4,788,472 |
| OCDE | 1,092,966 | 622,542 |
| Emerging countries | <u>206,379</u> | <u>175,503</u> |
| | <u>9,167,729</u> | <u>5,629,430</u> |
| Credit | | |
| Haïti | <u>22,634,788</u> | <u>24,096,612</u> |
| Other assets | | |
| Haïti | 979,473 | 895,728 |
| Total financial assets | G 61,995,142 | 50,924,544 |

C. MARKET RISK

Market risk arises from price fluctuations on the market and encompasses mainly interest rate risk, foreign exchange risk and the risk of fair value of financial instruments. The Bank's objective is to manage these risks within acceptable parameters in order to be profitable and to maximize its return on investment while preserving shareholders' equity and depositors' assets.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(4) RISK MANAGEMENT (CONTINUED)

C. MARKET RISK (CONTINUED)

i. Interest rate risk

This risk is related to any possible incidence of interest rates fluctuations on the net income and consequently, on shareholders' equity. It results from the inability to adjust interest rates as market evolves, to the extent that net interest margin decreases significantly or becomes negative. The amount of risk is based on the magnitude of changes in interest rates, as well as the size and the maturity of the financial instruments.

In terms of interest rate management, most of the Bank's credit portfolio is placed at variable interest rates, which allows the Bank to make the proper adjustments, at its sole discretion, in response to market conditions. Furthermore, as of September 30, 2015 and 2014, about 54% of the credit portfolio has a maturity of 12 months or less allowing the Bank to minimize the risks of conversion between resources and uses, the objective being to reduce the unfavorable impact of a fluctuation in interest rates on the results and net position of the Bank.

Fluctuations of interest rates do not have a significant effect on demand deposits (gourdes and dollars) which essentially do not bear interest, and on savings accounts (gourdes and dollars). These deposits represent respectively 42% the total deposit portfolio of UNIBANK S.A. as of September 30, 2015, and 45% and 43% as of September 30, 2014, which constitutes respectively 84% and 88% of total deposits.

Moreover, UNIBANK S.A. ensures an effective management of interest rates on the following portfolios:

- Loans to and deposits from the Bank's customers;
- Haitian Treasury bonds;
- Local investments;
- Foreign investments which are adjusted as market conditions evolve;
- Debt, term bonds, and subordinated debt.

The adequacy of interest rates applied to these portfolios is reviewed regularly by UNIBANK's Management which determines the appropriate position of the Bank with respect to any anticipated fluctuations in interest rates and ensures appropriate coverage of any interest rate risks.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(4) RISK MANAGEMENT (CONTINUED)

C. MARKET RISK (CONTINUED)

i. Interest rate risk (continued)

At year end, the interest profile on the main financial instruments was as follows:

| (In thousands of gourdes) | % | 2015 | % | 2014 |
|----------------------------------|------------|---------------------------|----------|-------------------|
| Fixed interest rates: | | | | |
| Financial assets | 13% | G 4,346,428 | 21% | 6,345,975 |
| Financial liabilities | 34% | <u>13,860,253</u> | 18% | <u>5,715,997</u> |
| Net | | <u>(9,513,825)</u> | | <u>629,978</u> |
| Variable interest rates: | | | | |
| Financial assets | 87% | 28,612,480 | 79% | 24,026,435 |
| Financial liabilities | 66% | <u>26,807,935</u> | 82% | <u>25,707,298</u> |
| Net | | G 1,804,545 | | (1,680,863) |

Based on the following observations, the Bank estimates that a fluctuation of interest rates would not have a significant impact on the Group's results:

- Fixed-rate financial assets are comprised of term deposits (20%), treasury bonds - UNIBANK S.A. (18%) and loans (62%).
- 64% of fixed rate liabilities are comprised of term deposits with maturities ranging from one month to one year. However, interest rates on these financial liabilities are low (**note 13**), therefore the interest rate risk is minimal.
- 87% of the Bank's financial assets and 66% of financial liabilities are at variable rates.
- Financial assets at a variable rate.
- Variable rate financial liabilities are comprised of savings deposits (83%) and of demand deposits (16%) which are essentially overnight deposits.

ii. Foreign exchange risk

Foreign exchange risk results from significant matching differences between the assets and liabilities denominated in the same foreign currency, which could lead to a long or short position impacted by the changes of the gourde versus the foreign currency.

The Bank's policy has always been to maintain a minimal trading position. The policy in place prohibits holding speculative positions. The Bank's trading position is sold daily.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(4) RISK MANAGEMENT (CONTINUED)

C. MARKET RISK (CONTINUED)

ii. Foreign exchange risk (continued)

The Bank has foreign subsidiaries whose financial assets and liabilities are held in dollars.

The tables below present the breakdown by currencies of the Bank's consolidated financial assets and liabilities and of its subsidiaries as of September 30:

September 30, 2015

| (In thousands of gourdes) | Gourdes | Dollars | Other currencies |
|---|--------------------------|--------------------------|-------------------------|
| Cash and cash equivalents | G 10,309,795 | 18,877,860 | 183,799 |
| Haitian Treasury bonds | 771,926 | - | - |
| Investments | 116,296 | 9,051,433 | - |
| Loans, net | 9,231,389 | 13,249,732 | - |
| Acceptances and letters of credit | - | 153,667 | - |
| Other assets | <u>428,802</u> | <u>550,659</u> | <u>12</u> |
| Total financial assets | <u>20,858,208</u> | <u>41,883,351</u> | <u>183,811</u> |
| Deposits | 20,077,353 | 33,315,823 | 174,535 |
| Debt | 4,615,586 | - | - |
| Term bonds | 160,058 | 230,485 | - |
| Commitments-acceptances and letters of credit | - | 153,667 | - |
| Subordinated debt | - | 130,482 | - |
| Other liabilities | <u>1,521,202</u> | <u>1,768,461</u> | <u>1,833</u> |
| Total financial liabilities | <u>26,374,199</u> | <u>35,598,918</u> | <u>176,368</u> |
| Assets (liabilities), net | G (5,515,991) | 6,284,433 | 7,443 |

For every fluctuation of one gourde versus the US dollar, the foreign exchange position in US dollar would result in an exchange gain or loss of approximately G 121 million, as the case may be.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(4) RISK MANAGEMENT (CONTINUED)

C. MARKET RISK (CONTINUED)

ii. Foreign exchange risk (continued)

30 septembre 2014

| (In thousands of gourdes) | | Gourdes | Dollars | Other currencies |
|---|----------|---------------------------|--------------------------|-------------------------|
| Cash and cash equivalents | G | 6,236,431 | 13,920,051 | 200,941 |
| Haitian Treasury bonds | | 683,658 | - | - |
| Investments | | 38,084 | 5,591,346 | - |
| Loans, net | | 8,867,507 | 14,938,357 | - |
| Acceptances and letters of credit | | - | 290,748 | - |
| Other assets | | <u>509,736</u> | <u>385,981</u> | <u>11</u> |
| Total financial assets | | <u>16,335,416</u> | <u>35,126,483</u> | <u>200,952</u> |
| Deposits | | 17,228,213 | 28,156,326 | 188,359 |
| Debt | | 662,080 | 1,457,846 | - |
| Term bonds | | 263,881 | 194,167 | - |
| Commitments-acceptances and letters of credit | | - | 290,748 | - |
| Subordinated debt | | 100,000 | - | - |
| Other liabilities | | <u>1,279,903</u> | <u>1,780,061</u> | <u>298</u> |
| Total financial liabilities | | <u>19,534,077</u> | <u>31,879,148</u> | <u>188,657</u> |
| Assets (liabilities), net | G | <u>(3,198,661)</u> | <u>3,247,335</u> | <u>12,295</u> |

For every fluctuation of one gourde versus the US dollar, the foreign exchange position in US dollar would result in an exchange gain or loss of approximately G 71 million, as the case may be.

The foreign exchange rates for the different currencies compared to the gourde were as follows:

| | 2015 | 2014 |
|--|----------------|-------------|
| <u>As of September 30</u> | | |
| US Dollars | 52.1417 | 45.5577 |
| Euros | 58.2319 | 57.5348 |
| <u>Average rates for the year</u> | | |
| US Dollars | 48.8716 | 44.7161 |
| Euros | 55.6954 | 60.4939 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(4) RISK MANAGEMENT (CONTINUED)

C. MARKET RISK (CONTINUED)

iii. Fair value of financial assets and liabilities

With the exception of foreign investments for which the fair value is disclosed in **note 7**, the book value of financial assets and liabilities is equivalent to their fair value since their interest rates are in line with market rates.

D. CAPITAL MANAGEMENT

Capital is defined as paid-in capital, reserves, retained earnings, minority interest and foreign currency translation effects. The Bank periodically evaluates its return on capital and aims at paying reasonable dividends to its shareholders while maintaining a stable capital position, so as to maintain investors, creditors and market confidence, and to sustain future development of the Group. As of September 30, 2015 and 2014, the Bank is in compliance with the capital ratio requirements (Circular no. 88) of the Central Bank.

The Central Bank of Haïti (BRH) in its capacity as the regulator of all banks operating in Haïti, sets and monitors capital requirements. Banks must adhere to the following capital ratios under Central Bank circular 88:

Ratio of assets/capital - A maximum multiple of 20 times between total assets and some qualifying off-balance sheet assets, and regulatory capital.

Ratio of capital/risk-weighted assets – The ratio of capital to risk-weighted assets should not be less than 12%. Risk weighted assets comprise balance sheet and some off- balance sheet assets to which specific risk weights are assigned.

Regulatory capital consists of:

- Tier 1 capital attributable to ordinary shareholders. It excludes the revaluation reserve and the general reserve for loan losses.
- Tier 2 capital consisting of subordinated debt.

As of September 30, the Bank's ratios were as follows:

| | 2015 | 2014 |
|---------------------------------------|--------------------|-------------|
| Ratio of assets/capital | 10.53 times | 10.23 times |
| Ratio of capital/risk-weighted assets | 19.76% | 17.75% |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(5) CASH AND CASH EQUIVALENTS

As of September 30, cash and cash equivalents are as follows:

| (In thousands of gourdes) | | 2015 | 2014 |
|----------------------------------|----------|-----------------------|----------------|
| Cash | G | 930,228 | 738,307 |
| Deposits with BRH and BNC | | 26,528,586 | 18,120,031 |
| Deposits in foreign banks | | 1,418,078 | 904,979 |
| Items in transit, net | | <u>494,562</u> | <u>594,106</u> |
| | G | 29,371,454 | 20,357,423 |

Cash and deposits with BRH (Central Bank) and BNC (a state-owned commercial Bank) are part of the cash reserve requirements on total liabilities that must be maintained in accordance with the related provisions of BRH (Central Bank) circulars. These deposits do not bear interest.

Deposits in foreign banks represent overnight deposit accounts bearing average interest rates of 0.02% as of September 30, 2015 and 2014.

As of September 30, 2015 and 2014 respectively, deposits totaling G 17,751M (\$US 340K) and G 72,227M (\$US 1,585) of Unitransfer International, which operates in the USA and in Canada, have been pledged to the Banking Departments of the states where the Company operates. These deposits bear interest at rates between 0.10 % and 0.40 % as of September 30, 2015, and 0.01 % and 0.28 % as of September 30, 2014.

As of September 30, deposits in gourdes and in foreign currencies are as follows:

| (In thousands of gourdes) | | 2015 | 2014 |
|----------------------------------|----------|--------------------------|-------------------|
| Deposits in gourdes | G | 10,304,086 | 6,236,431 |
| Deposits in foreign currencies | | <u>19,067,368</u> | <u>14,120,992</u> |
| | G | 29,371,454 | 20,357,423 |

(6) HAITIAN TREASURY BONDS

| (In thousands of gourdes) | | 2015 | 2014 |
|---|----------|------------------|-------------|
| Ministry of Economy and Finance (a) | G | 546,926 | 683,658 |
| Rate | | 7% | 7% |
| Maturity | | 60 months | 60 months |
| Ministry of Economy and Finance - PSUGO (b) | G | 225,000 | - |
| Rate | | 6% | - |
| Maturity | | 60 months | - |
| | G | 771,926 | 683,658 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(6) HAITIAN TREASURY BONDS (CONTINUED)

- (a) Haitian Treasury bonds were issued on September 15, 2014 by the Ministry of Economy and Finance as a Public Finance management tool. Of the total amount of the G 5.7 billion issued, 50% was acquired by the Central Bank (BRH) and the other 50% by commercial banks in prorata of their regulatory reserves held at the Central Bank as of September 9, 2014. These bonds are dematerialized and will be reimbursed in equal monthly installments from the date of issuance. Interest income is recognized based upon the repayment schedule agreed between the BRH and the commercial banks. This schedule foresees that each installment will bear interest of 7% up until its maturity date. Therefore, interest income will increase over time.

Thus, the cumulative interest to be earned on these bonds totals G 137 million of which G 5 million and G 2 million were recognized respectively in 2015 and 2014.

- (b) Based on an agreement signed on January 30, 2015 with the Ministry of Education, new dematerialized Treasury bonds were issued on March 4, 2015 by the Ministry of Economics and Finance to strengthen the free and mandatory "Programme de Scholarisation Universelle (PSUGO)". These bonds are reimbursable as of March 2015. Interests are accrued at the rate of 6% based on the reimbursement schedule agreed with the Central Bank.

Cumulative interest on these bonds will equal G 38 million, of which G 8 million was recognized in 2015.

In accordance with the provisions provided for this purpose in the circulars with the Central Bank, these bonds will be part of the calculation of the mandatory reserves coverage to be maintained by the Bank.

(7) INVESTMENTS

As of September 30, investments are as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|--|--------------------|------------------|
| Fair value investments: | | |
| Foreign debt securities at fair value with fluctuations recognized in the consolidated statement of income (a) | G 8,269,950 | 4,754,563 |
| Local investments (b) | <u>38,084</u> | <u>38,084</u> |
| | 8,308,034 | 4,792,647 |
| Amortized cost investments: | | |
| Foreign investments (c) | 778,302 | 831,954 |
| Local investments (d) | <u>81,393</u> | <u>4,829</u> |
| | 859,695 | 836,783 |
| Total investments | G 9,167,729 | 5,629,430 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(7) INVESTMENTS (CONTINUED)

- a) Foreign debt securities available for sale with fair value fluctuations recorded in the consolidated statement of income, are as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|--|------------------------|-----------------|
| US Treasury bonds: | | |
| Cost | G 263,097 | 552,636 |
| Fair value | 263,742 | 550,191 |
| Maturity | 3 to 43 months | 2 to 62 months |
| Interest rate | 0.63 % | 0.71 % |
| US Federal Agencies bonds: | | |
| Cost | G 2,688,354 | 1,012,808 |
| Fair value | 2,688,790 | 1,008,612 |
| Maturity | 1 to 42 months | 13 to 54 months |
| Interest rate | 0.57 % | 0.84% |
| US Corporate bonds: | | |
| Cost | G 4,038,736 | 2,406,025 |
| Fair value | 4,018,073 | 2,397,714 |
| Maturity | 2 to 62 months | 1 to 60 months |
| Interest rate | 1.56 % | 1.34% |
| Treasury bills - Governmentsof emerging countries: | | |
| Cost | G 86,667 | 45,741 |
| Fair value | 85,309 | 45,074 |
| Maturity | 16 to 59 months | 28 to 71 months |
| Interest rate | 1.76 % | 1.68 % |
| Corporate bonds of emerging countries: | | |
| Cost | G 123,712 | 130,452 |
| Fair value | 121,070 | 130,430 |
| Maturity | 3 to 55 months | 4 to 67 months |
| Interest rate | 1.69 % | 1.43 % |
| Corporate bonds of OECD countries: | | |
| Cost | G 977,382 | 606,747 |
| Fair value | 971,401 | 604,099 |
| Maturity | 6 to 62 months | 1 to 64 months |
| Interest rate | 1.69% | 1.32% |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(7) INVESTMENTS (CONTINUED)

| (In thousands of gourdes) | 2015 | 2014 |
|--|------------------------|------------------|
| Institutions Supra Nationales (SNAT): | | |
| Cost | G 96,014 | 18,766 |
| Fair value | 95,505 | 18,443 |
| Maturity | 18 to 62 months | 36 to 38 months |
| Interest rate | 0.73 % | 0.65 % |
| Treasury bills of of OECD countries: | | |
| Cost | G 26,046 | - |
| Fair value | 26,060 | - |
| Maturity | 56 months | - |
| Interest rate | 2.27 % | - |
| Total: | | |
| Cost | G 8,300,008 | 4,773,175 |
| Fair value | 8,269,950 | 4,754,563 |
| Unrealized loss in 2014 | G (30,058) | (18,612) |

In 2014, the Bank applied IFRS 9 requirements relating to the valuation of financial instruments; thus the unrealized loss on these foreign debt securities is recorded in the consolidated statement of income.

- b) Local investments consist of corporate investments available for sale. The fair value of these investments is equivalent to cost.
- c) Foreign investments held-to-maturity are as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|----------------------------------|-------------------------|-----------------|
| Term deposits | G 778,302 | 831,954 |
| Interest rates | 0.25 % to 1.65 % | 0.21 % to 1.65% |
| Maturity | 1 to 18 months | 1 to 43 months |

- d) Local investments held-to-maturity are composed of bonds in US dollars issued by local companies, with a fair value equivalent to cost. As of September 30, 2015 and 2014, they have maturity ranging from 180 to 720 days and from 90 to 180 days, respectively, and bear interest rates between 3.19% to 4.66%.

As of September 30, 2015 and 2014, foreign US investments include amounts pledged as security on lines of credit totaling G 1,758,010M (\$US 33,716M) and G 1,421,400M (\$US 31,200M), respectively.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(8) LONG-TERM CORPORATE INVESTMENTS

As of September 30, long-term corporate investments are as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|---|--------------------|------------------|
| Long-term corporate investments in affiliated companies and joint ventures accounted for by the equity method | G 3,024,288 | 2,905,966 |
| Other long-term corporate investments, at cost | <u>146</u> | <u>146</u> |
| | G 3,024,434 | 2,906,112 |
| <u>Affiliated Companies and Joint Ventures accounted for by the equity method</u> | | |
| (In thousands of gourdes) | 2015 | 2014 |
| HAÏTI AGRO PROCESSORS HOLDING LTD. | | |
| Total assets – Les Moulins d’Haïti S.E.M. (LMH) | G 3,012,413 | <u>2,807,041</u> |
| Total liabilities – Les Moulins d’Haïti S.E.M. (LMH) | <u>465,902</u> | <u>532,237</u> |
| Net income of the year | G 502,970 | 231,264 |
| 33.33% of Haiti Agro Processors Holding Ltd., majority shareholder of LMH (through SNI Minoterie L.P.) | | |
| Share of retained earnings and reserves to date | G 291,667 | 291,667 |
| | <u>302,519</u> | <u>239,121</u> |
| | G 594,186 | 530,788 |
| DISTRIBUTEURS NATIONAUX S.A. (DINASA) (a) | | |
| Total assets | G 7,101,822 | <u>8,417,632</u> |
| Total liabilities | <u>2,272,364</u> | <u>3,702,961</u> |
| Net income of the year | <u>574,787</u> | 858,303 |
| 290,000 voting common shares held by GFN S.A. through Unifinance, representing 50% of the capital | | |
| Share of retained earnings and reserves to date | G 725,000 | 725,000 |
| | <u>1,689,729</u> | <u>1,632,334</u> |
| | G 2,414,729 | 2,357,334 |
| CORAIL S.A. | | |
| Total assets | G 135,082 | <u>157,992</u> |
| Total liabilities | <u>37,782</u> | <u>44,771</u> |
| Net income of the year | <u>15,970</u> | 48,985 |
| Capital investment representing 15.80% of capital | | |
| Share of retained earnings and reserves to date | G 9,908 | 9,908 |
| | <u>5,465</u> | <u>7,936</u> |
| | G 15,373 | 17,844 |
| Total investments in affiliated companies and joint ventures | G 3,024,288 | 2,905,966 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(8) LONG-TERM CORPORATE INVESTMENTS (CONTINUED)

- (a) Distributeurs Nationaux S.A. (DINASA) is a joint venture between GFN S.A. through Unifinance S.A. and another group, each holding 50% of the capital. The two groups exercise joint control as of September 30, 2015 and 2014.
- (b) The share of income from non consolidated affiliated companies is recorded, using the equity method, in the consolidated statement of income as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|---|---------------------|--------------|
| Dinasa (note 20) | G 287,393 | 429,152 |
| Haiti Agro Processors Holding Ltd. ⁽¹⁾ | 117,360 | 53,961 |
| Corail S.A. (note 20) | <u>2,065</u> | <u>6,545</u> |
| | G 406,818 | 489,658 |

- (1) The share of income from Haiti Agro Processors Holding Ltd. is reflected through SNI Minoterie L.P., in which UNIBANK S.A. holds through GFN S.A. an interest of 61.10% as described in note 19.

Other long-term corporate investments at cost

| (In thousands of gourdes) | 2015 | 2014 |
|---|--------------------|-------------|
| BANQUE DE L'UNION HAÏTIENNE S.A. | | |
| 400 voting common shares with par value of G 250 each | G 146 | 146 |
| PORT INTERNATIONAL DU SUD S.A. | | |
| 20 common voting shares of class C with par value of G 3,000 each | <u>60</u> | <u>60</u> |
| | 206 | 206 |
| Provision for loss of value | <u>(60)</u> | <u>(60)</u> |
| Other long-term corporate investments, net | G 146 | 146 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(9) LOANS

As of September 30, loans are as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|----------------------------------|-----------------------|----------------|
| Commercial and industrial loans | G 9,488,615 | 11,021,821 |
| Mortgage loans | 5,417,191 | 5,108,709 |
| Overdrafts | 3,669,377 | 4,335,931 |
| Consumer loans | 1,378,640 | 1,226,757 |
| Micro-enterprise loans | 1,357,042 | 1,215,359 |
| Credit card loans | 939,778 | 773,689 |
| Loans to employees | 288,989 | 174,938 |
| Restructured loans (a) | <u>18,142</u> | <u>29,444</u> |
| | 22,557,774 | 23,886,648 |
| Non-performing loans | <u>208,321</u> | <u>108,298</u> |
| | G 22,766,095 | 23,994,946 |

(a) As of September 30, 2015 and 2014, these loans were current, and compliant with the new terms.

As of September 30, loans in US dollars and in gourdes are as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|----------------------------------|-------------------------|------------------|
| Loans in US dollars | G 13,484,913 | 15,068,376 |
| Loans in gourdes | <u>9,281,182</u> | <u>8,926,570</u> |
| | G 22,766,095 | 23,994,946 |

Average effective interest rates on loans are as follows:

| | 2015 | 2014 |
|---|---------------|-------------|
| In US dollars: | | |
| Commercial and industrial loans, and overdrafts | 9.39% | 7.39% |
| Mortgage loans | 8.54% | 7.30% |
| Credit card loans | 24.55% | 29.92% |
| Restructured loans | 8.03% | 8.32% |
| Loans to employees | 6.73% | 7.00% |
| In gourdes: | | |
| Commercial and industrial loans, and overdrafts | 12.14% | 8.81% |
| Mortgage loans | 10.71% | 6.41% |
| Credit card loans | 27.71% | 24.61% |
| Micro-enterprise loans | 41.29% | 42.76% |
| Restructured loans | 11.11% | 11.23% |
| Loans to employees | 6.06% | 5.95% |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(9) LOANS (CONTINUED)

Unrecorded interest on non-performing loans mentioned above amounts to G 15,615M and G16,088M as of September 30, 2015 and 2014, respectively.

Except for short-term advances, included in commercial and industrial loans, totaling G374,686M and G 501,293M as of September 30, 2015 and 2014 with a maximum maturity of three months, and except for mortgage loans issued for an average period of 15 years, loans are repayable on demand.

Loans to Board members and their related companies amount to G 1,202,552M and G 900,339M as of September 30, 2015 and 2014, respectively. These loans bear average interest rates of approximately 10.31% and 6.93% for loans in gourdes, and of 9.28% and 7.03% for loans in US dollars, in 2015 and 2014, respectively.

The impairment provision has evolved as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|---|------------------|-------------|
| Balance at the beginning of year | G 189,082 | 202,706 |
| Impairment charge for the year | 207,640 | 97,649 |
| Write-offs (a) | (181,962) | (164,572) |
| Recovery on loans written-off | 47,014 | 46,947 |
| Effect of revaluation of impairment provision in US dollars | 23,200 | 6,352 |
| Balance at the end of year | G 284,974 | 189,082 |

(a) Loan write-offs by categories during 2015 and 2014 are as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|----------------------------------|------------------|-------------|
| Micro-enterprises | G 127,334 | 97,138 |
| Commercial loans | 39,319 | - |
| Credit card loans | 9,533 | 9,459 |
| Consumers loans | 5,776 | 10,055 |
| Mortgage loans | - | 28,448 |
| Overdrafts | - | 19,472 |
| | G 181,962 | 164,572 |

Specific and general risks on the loan portfolio are covered as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|----------------------------------|-----------------------|----------------|
| Impairment provision | G 284,974 | 189,082 |
| General reserve for loans losses | <u>278,345</u> | <u>285,799</u> |
| | G 563,319 | 474,881 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(9) LOANS (CONTINUED)

As of September 30, the loan portfolio by aging categories is as follows:

September 30, 2015

| (In thousands of gourdes) | Current | 30-60 days | 61-89 days | Total |
|--------------------------------|---------------------|----------------|---------------|-------------------|
| <u>Current loans</u> | | | | |
| Commercial and industrial loan | G 9,328,825 | 135,553 | 24,237 | 9,488,615 |
| Micro-enterprise loans | 1,330,007 | 11,610 | 15,425 | 1,357,042 |
| Credit card loans | 859,439 | 54,549 | 25,790 | 939,778 |
| Overdrafts | 3,669,147 | 211 | 19 | 3,669,377 |
| Other loans | <u>7,070,170</u> | <u>32,087</u> | <u>705</u> | <u>7,102,962</u> |
| | G 22,257,588 | 234,010 | 66,176 | 22,557,774 |

| (In thousands of gourdes) | 90-120 days | 121-180 days | 181-360 days | Total |
|------------------------------------|-----------------|---------------|---------------|----------------|
| <u>Non-performing loans</u> | | | | |
| Commercial and industrial loan | G 17,650 | 9,195 | 66,795 | 93,640 |
| Micro-enterprise loans | 10,335 | 19,479 | - | 29,814 |
| Credit card loans | 17,720 | 17,333 | 2,233 | 37,286 |
| Overdrafts | 29,956 | 7,327 | 392 | 37,675 |
| Other loans | <u>6,175</u> | <u>155</u> | <u>3,576</u> | <u>9,906</u> |
| | G 81,836 | 53,489 | 72,996 | 208,321 |

September 30, 2014

| (In thousands of gourdes) | Current | 30-60 days | 61-89 days | Total |
|---------------------------------|---------------------|----------------|---------------|-------------------|
| <u>Current loans</u> | | | | |
| Commercial and industrial loans | G 10,970,875 | 19,043 | 31,903 | 11,021,821 |
| Micro-enterprise loans | 1,183,104 | 17,782 | 14,473 | 1,215,359 |
| Credit card loans | 714,867 | 52,072 | 6,750 | 773,689 |
| Overdrafts | 4,335,638 | 293 | - | 4,335,931 |
| Other loans | <u>6,499,623</u> | <u>29,153</u> | <u>11,072</u> | <u>6,539,848</u> |
| | G 23,704,107 | 118,343 | 64,198 | 23,886,648 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(9) LOANS (CONTINUED)

| (In thousands of gourdes) | | 90-120 days | 121-180 days | 181-360 days | Total |
|------------------------------------|----------|----------------------|----------------------|---------------------|-----------------------|
| <u>Non-performing loans</u> | | | | | |
| Commercial and industrial loans | G | 21,473 | - | 1,867 | 23,340 |
| Micro-enterprise loans | | 10,459 | 27,887 | - | 38,346 |
| Credit card loans | | 14,192 | 9,455 | 2,811 | 26,458 |
| Overdrafts | | 13,855 | - | 195 | 14,050 |
| Other loans | | - | <u>1,095</u> | <u>5,009</u> | <u>6,104</u> |
| | G | <u>59,979</u> | <u>38,437</u> | <u>9,882</u> | <u>108,298</u> |

As of September 30, these loans were covered by the followings guarantees:

September 30, 2015

| (In thousands of gourdes) | | Mortgages | Cash collateral (note 13) | Others (a) |
|----------------------------------|----------|-------------------------|--------------------------------------|-------------------------|
| Current loans | G | 8,952,394 | 1,900,335 | 1,094,028 |
| Non-performing loans | | <u>61,160</u> | <u>-</u> | <u>-</u> |
| | G | <u>9,013,554</u> | <u>1,900,335</u> | <u>1,094,028</u> |

September 30, 2014

| (In thousands of gourdes) | | Mortgages | Cash collateral (note 13) | Others (a) |
|----------------------------------|----------|-------------------------|--------------------------------------|-------------------------|
| Current loans | G | 7,739,954 | 1,553,750 | 1,094,028 |
| Non-performing loans | | <u>-</u> | <u>-</u> | <u>-</u> |
| | G | <u>7,739,954</u> | <u>1,553,750</u> | <u>1,094,028</u> |

(a) Other guarantees consist of foreign and local letters of guarantee, corporate bonds and pledged shares.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(10) FIXED ASSETS

During the year, fixed assets at cost have evolved as follows:

| Cost (In thousands) | Balance 30/09/14 | Acquisitions | Transfers | Disposals | Translation adjustment | Balance 30/09/15 |
|--------------------------------|-----------------------------|---------------------|------------------|------------------|-----------------------------------|-----------------------------|
| Land | G 301,513 | 65,954 | - | - | - | 367,467 |
| Buildings | 513,712 | 14,173 | - | - | - | 527,885 |
| Furnitures and equipment | 538,136 | 67,507 | (34,403) | (17,559) | 655 | 554,336 |
| Computer equipment | 104,315 | 44,827 | (19,561) | (55) | 1,261 | 130,787 |
| Software | 66,072 | 19,795 | (16,391) | - | 5,406 | 74,882 |
| Leasehold improvements | 302,857 | 64,243 | (27,604) | (30,562) | 568 | 309,502 |
| Vehicles | 256,649 | 55,276 | (37,542) | (8,537) | - | 265,846 |
| Investments in progress | 89,935 | 110,142 | (57,739) | (17,408) | - | 124,930 |
| Fully depreciated assets | <u>992,359</u> | <u>-</u> | <u>193,240</u> | <u>(32,006)</u> | <u>4,206</u> | <u>1,157,799</u> |
| | G 3,165,548 | 441,917 | - | (106,127) | 12,096 | 3,513,434 |

During the year, accumulated depreciation has evolved as follows:

| Accumulated depreciation (In thousands of gourdes) | Balance 30/09/14 | Depreciation | Transfers | Disposals | Translation adjustment | Balance 30/09/15 |
|---|-----------------------------|---------------------|------------------|------------------|-----------------------------------|-----------------------------|
| Buildings | G 61,960 | 15,639 | - | - | - | 77,599 |
| Furnitures and equipment | 256,516 | 86,815 | (65,849) | (10,937) | 467 | 267,012 |
| Computer equipment | 55,105 | 36,035 | (31,388) | (31) | 1,013 | 60,734 |
| Software | 51,639 | 19,389 | (16,430) | 7 | 5,549 | 60,154 |
| Leasehold improvements | 150,741 | 46,677 | (30,775) | (19,988) | 568 | 147,223 |
| Vehicles | 118,549 | 67,525 | (48,798) | (4,865) | - | 132,411 |
| Fully depreciated assets | <u>992,359</u> | <u>-</u> | <u>193,240</u> | <u>(32,006)</u> | <u>4,206</u> | <u>1,157,799</u> |
| | G 1,686,869 | 272,080 | - | (67,820) | 11,803 | 1,902,932 |
| Fixed assets, net | G 1,478,679 | | | (38,307) | 293 | 1,610,502 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(11) INVESTMENT PROPERTIES

Investment properties in the United States of America are as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|--------------------------------------|-----------------------|---------------|
| Balance at the beginning of the year | G 910,093 | 888,856 |
| Sales | (28,786) | (15,640) |
| Translation effect | <u>131,527</u> | <u>36,877</u> |
| Balance at year end | G 1,012,834 | 910,093 |

As of September 30, 2015 and 2014, the investment property is valued at US\$ 19,424,541 and US\$ 19,976,708, respectively based on report of independent appraisors.

This building is rented and generated rental income of G 19,682M and 11,845M in 2015 and 2014, respectively.

Disposals of these buildings generated a gain of G 20,297M and G 9,731M in 2015 and 2014, respectively.

(12) OTHER ASSETS

As of September 30, other assets are as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|---|-----------------------|----------------|
| Prepaid expenses | G 362,988 | 335,518 |
| Receivables - transfer agents | 203,398 | 138,638 |
| Property held for sale (a) | 180,140 | 176,265 |
| Interest receivable | 173,339 | 229,078 |
| Accounts receivable – affiliated companies | 126,934 | 54,814 |
| Premiums receivable – Uniassurances S.A. | 121,390 | 61,373 |
| Advances to suppliers and others | 67,383 | 44,109 |
| Goodwill, net (b) | 57,694 | 54,168 |
| Advances to executives and managers (c) | 44,695 | 66,529 |
| Inventories - Unitransfer Haïti | 27,858 | 38,205 |
| Dividends receivable | 7,127 | 7,127 |
| Prepaid income taxes | 2,413 | 5,374 |
| Recoverable from réassureurs | 1,213 | 3,856 |
| Gourdes receivable on foreign currency forward contracts (notes 16b and 17) | - | 100,000 |
| Other | <u>233,994</u> | <u>190,204</u> |
| | G 1,610,566 | 1,505,258 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(12) OTHER ASSETS (CONTINUED)

(a) Properties held for sale have evolved as follows:

| (In thousands of gourdes) | | 2015 | 2014 |
|--|----------|----------------|--------------|
| Balance at beginning of year | G | 176,265 | 173,667 |
| Sales during the year | | (3,341) | (7,952) |
| Disbursements of the year for security | | 7,216 | 7,209 |
| Repossessed properties during the year | | - | <u>3,341</u> |
| | G | 180,140 | 176,265 |

Sales of properties in 2015 and 2014 resulted in a gain of G 178M and G 161M, respectively.

(b) As of September 30, net goodwill is as follows:

| (In thousands of gourdes) | | 2015 | 2014 |
|---|----------|----------------------|---------------|
| Goodwill at cost: | | | |
| UNITRANSFER INTERNATIONAL | G | 24,765 | 24,765 |
| Exchange effect - UNITRANSFER INTERNATIONAL | | <u>6,200</u> | <u>2,674</u> |
| | | <u>30,965</u> | <u>27,439</u> |
| IMSA | | 11,332 | 11,332 |
| MICRO CRÉDIT NATIONAL | | 9,950 | 9,950 |
| UNICRÉDIT | | 3,663 | 3,663 |
| SNI S.A. | | <u>1,784</u> | <u>1,784</u> |
| | | <u>26,729</u> | <u>26,729</u> |
| | G | 57,694 | 54,168 |

(c) Advances to executives and managers do not bear interest and are contractually amortized over a period of five years expiring between 2015 and 2020.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(13) DEPOSITS

As of September 30, deposits are as follows:

| (In thousands of gourdes) | | 2015 | 2014 |
|----------------------------------|----------|-------------------|-------------|
| Demands deposits: | | | |
| Gourdes | G | 7,844,455 | 7,953,000 |
| US Dollars | | 14,306,512 | 12,382,833 |
| Euros | | 174,535 | 188,359 |
| | G | 22,325,502 | 20,524,192 |
| Savings accounts: | | | |
| Gourdes | G | 8,629,355 | 7,500,529 |
| US Dollars | | 13,702,521 | 12,290,227 |
| | G | 22,331,876 | 19,790,756 |
| Term deposits: | | | |
| Gourdes | G | 3,603,543 | 1,774,684 |
| US Dollars | | 5,306,790 | 3,483,266 |
| | G | 8,910,333 | 5,257,950 |
| Total deposits | G | 53,567,711 | 45,572,898 |
| Deposits in gourdes | G | 20,077,353 | 17,228,213 |
| Deposits in US Dollars | | 33,315,823 | 28,156,326 |
| Deposits in Euros | | 174,535 | 188,359 |
| Total deposits | G | 53,567,711 | 45,572,898 |

Average interest rates on deposits are as follows:

| | | 2015 | 2014 |
|---|--|--------------|-------------|
| Demand deposits (overnight deposits): | | | |
| Gourdes | | 1.59% | 1.59% |
| US dollars | | 0.15% | 0.15% |
| Demand deposits (savings/checking accounts): | | | |
| Gourdes | | 0.04% | 0.04% |
| US dollars | | 0.02% | 0.02% |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(13) DEPOSITS (CONTINUED)

| | 2015 | 2014 |
|-------------------|--------------|-------------|
| Savings accounts: | | |
| Gourdes | 0.05% | 0.05% |
| US dollars | 0.03% | 0.03% |
| Term deposits: | | |
| Gourdes | 3.88% | 2.14% |
| US dollars | 1.34% | 0.06% |
| Treasury bonds: | | |
| Gourdes | 5.46% | 4.83% |
| US dollars | 2.20% | 2.17% |

Pledged deposits amounted to G 1,900,335M and G1,553,750M as of September 30, 2015 and 2014, respectively (**note 9**).

Deposits from Board members and their affiliated companies amounted to G 1,173,537M and G 726,948M as of September 30, 2015 and 2014, respectively. These deposits were received in the normal course of business and bear interest at the Bank's normal interest rates.

(14) DEBT

| (In thousands of gourdes) | 2015 | 2014 |
|---|-----------------------|-------------|
| Short-term interbank loans (a) | G 4,250,000 | 2,057,846 |
| Loan from the Government of the Federal Republic of Germany (b) | 56,210 | 62,080 |
| Advances from the Central Bank (BRH) (c) | <u>309,376</u> | <u>-</u> |
| | G 4,615,586 | 2,119,926 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(14) DEBT (CONTINUED)

- (a) These loans were contracted from BRH (Central Bank) two local banks and two foreign banks in 2015. The loans are as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|----------------------------------|------------------------|---------------------------------------|
| Local Banks: | | |
| Amount | G 4,250,000 | 600,000 |
| Interest rate | 6% and 14% | 7.00% and 6.50% |
| Duration | 34 and 10 days | 16 and 2 days |
| Maturity date | October 5, 2015 | October 16 and 20, 2014 |
| Foreign Banks: | | |
| Amount | G - | 1,457,846 |
| Interest rate | - | 0.56% and 0.74% |
| Duration | - | 43-86 days |
| Maturity date | - | Oct.27, 28 2014 and Dec. 13, 24, 2014 |
| | G 4,250,000 | 2,057,846 |

- (b) By agreement dated August 19, 2004, Micro Credit National received from the Government of the Federal Republic of Germany through the Government of the Republic of Haiti, a loan of €1.765,930, equivalent to G 88,658M at the date of disbursement.

The loan, denominated in local currency, bears interest at a variable rate established at 0.30% at September 30, 2015 and 2014, and is reimbursed in 30 equal semi-annual installments beginning in May 2010. Semi - annual interest is paid beginning in May 2005.

- (c) Under the terms of an agreement on Mortgage Loans signed between Unibank and the Central Bank of Haiti on December 11, 2014 for a period on 10 years, the Bank received two advances in 2015. Based on this agreement, the Central Bank is committed to advance funds to the bank at a fixed annual rate ranging from 1% to 3% payable semi-annually. The principal is reimbursable at the term of the agreement over a maximum term of 30 years. The funds in gourdes used to extend credit to the bank's customers within this program are exempt from legal reserve requirements.

(15) TERM BONDS

Term bonds issued by UNIBANK S.A. and Unifinance S.A. are nominative and not convertible. As of September 30, these term bonds are presented as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|----------------------------------|-----------------------|----------------|
| Term bonds in gourdes | G 160,058 | 263,781 |
| Term bonds in US dollars | <u>230,485</u> | <u>194,267</u> |
| | G 390,543 | 458,048 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(15) TERM BONDS (CONTINUED)

Average interest rates on term bonds are as follows:

| | 2015 | 2014 |
|--------------------------|---------------|-------------|
| Term bonds in gourdes | 5.04% | 4.49% |
| Term bonds in US dollars | 3.60% | 3.69% |
| Maximum maturity | 1 year | 1 year |

(16) OTHER LIABILITIES

As of September 30, other liabilities are as follows:

| (In thousands of gourdes) | | 2015 | 2014 |
|---|----------|-----------------------|----------------|
| Restricted fund deposits (over 10 years) | G | 700,316 | 662,490 |
| Cashier's checks | | 566,620 | 810,342 |
| Accrued expenses | | 349,326 | 325,703 |
| Income taxes and CFGDCT | | 306,685 | 151,399 |
| Remittances payable | | 293,697 | 113,629 |
| Unearned premium – UniAssurances S.A. | | 276,102 | 170,773 |
| Deferred income taxes (a) | | 186,260 | 173,185 |
| Bonus payable | | 151,874 | 127,286 |
| Interest payable | | 147,890 | 47,009 |
| Transfers payable – UniTransfer International | | 146,872 | 102,094 |
| Dividends payable | | 115,195 | 129,308 |
| Deffered revenue on Haitian Treasury bonds | | 33,834 | 134,725 |
| In trust accounts | | 32,032 | 37,285 |
| Guarantee deposits on letters of credit | | 12,617 | 1,978 |
| Foreign currency forward contracts (b) | | - | 114,006 |
| Insurance claims due - UniAssurances S.A. | | - | 2,564 |
| Others | | <u>158,436</u> | <u>129,671</u> |
| | G | 3,477,756 | 3,233,447 |

(a) Deferred income taxes are related to the following:

| (In thousands of gourdes) | | 2015 | 2014 |
|--|----------|---------------------|--------------|
| Share of non-consolidated subsidiaries | G | 181,864 | 168,789 |
| Revaluation-land | | <u>4,396</u> | <u>4,396</u> |
| | G | 186,260 | 173,185 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(16) OTHER LIABILITIES (CONTINUED)

The deferred income taxes related to the share of income of non-consolidated affiliates have evolved as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|--|------------------|-----------------|
| Balance at the beginning of the year | G 168,789 | 209,444 |
| Recovery of one third of the tax credit | - | (71,040) |
| Deferred income taxes related to unconsolidated share of income (note 20) | 71,909 | 93,733 |
| Income taxes paid on dividends of Dinasa | (58,834) | (8,348) |
| Reinvestment of retained earnings of Dinasa (note 20) | <u>-</u> | <u>(55,000)</u> |
| | G 181,864 | 168,789 |

(b) The counterpart of the currency to deliver, related to foreign currency forward contracts in US dollars with the Fondation UNIBANK totaling \$US 2.5 million net, as of September 30, 2014, is recorded in other assets (**note 12**). This contract came to term in 2015.

(17) SUBORDINATED DEBT

The subordinated debt is held by Fondation UNIBANK and bears interest at the rate of 6%. This subordinated debt is denominated in US dollars and is issued for a period of 10 years expiring on September 27, 2015.

As of September 30, 2014 this subordinated debt was denominated in gourdes and reimbursable, in US dollars, at the exchange rate as the date of the issue. The difference between the interest rate in gourdes and the effective interest rate in dollars, and the impact of the exchange rate fluctuation resulting from the revaluation of these contracts in US dollars are reflected in the consolidated statement of income and the counterpart is reflected in other assets and liabilities (**notes 12 and 16**). The debt was issued for a period of 10 years expiring on April 25 and May 27, 2016. These subordinated debts were replaced on September 27, 2015 by the US dollars denominated debt as described above.

Unifinance S.A. acts as broker for the issuance of the debentures and manages the debt service, and is paid by UNIBANK S.A. a fee of 0.25% of the amount issued.

(18) PAID-IN CAPITAL

As voted in an Extraordinary General Assembly on September 25, 2015 and effective on 30 September 2015, the authorized share capital of the Bank was increased to three billion five hundred million gourdes (G 3,500,000,000), representing 560,000 shares with a nominal value of G 6,250 each. The nominal value of each share was increased by G 2,250 by integration of the legal reserve, additionnal paid-in capital surplus and a part of retained earnings as authorized by the Central Bank. This capital increase was accompanied by a regrouping of shares. In 2015 and 2014, net income per share was calculated on the basis of 518,404 shares.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(18) PAID-IN CAPITAL (CONTINUED)

As of September 30, the authorized and paid-in capital is as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|--|-------------------------|------------------|
| AUTHORIZED CAPITAL | | |
| 140,000 shares of classe A with a par value of G 6,250 in 2015 | | |
| 156,250 shares of classe A with a par value of G 4,000 in 2014 | | |
| Each classe A share has one voting right | G 875,000 | 625,000 |
| 420,000 shares of classe B with a par value of G 6,250 in 2015 | | |
| 468,750 shares of classe B with a par value of G 4,000 in 2014 | | |
| Each classe B share has one voting right | <u>2,625,000</u> | <u>1,875,000</u> |
| | G 3,500,000 | <u>2,500,000</u> |
| UNPAID CAPITAL | | |
| 12,061 shares of classe A in 2015 | | |
| 26,923 shares of classe A in 2014 | G (75,381) | (107,692) |
| 29,535 shares of classe B in 2015 | | |
| 74,704 shares of classe B in 2014 | <u>(184,594)</u> | <u>(298,816)</u> |
| | G (259,975) | <u>(406,508)</u> |
| PAID-IN CAPITAL | | |
| 127,939 shares of classe A in 2015 | | |
| 129,327 shares of classe A in 2014 | G 799,619 | 517,308 |
| 390,465 shares of classe B in 2015 | | |
| 394,046 shares of classe B in 2014 | <u>2,440,406</u> | <u>1,576,184</u> |
| | G 3,240,025 | <u>2,093,492</u> |
| ACTIONS DE TRESORERIE | | |
| 132 shares of classe A in 2014 | G - | (528) |
| 65 shares of classe B in 2014 | <u>-</u> | <u>(260)</u> |
| | - | (788) |
| SHARE CAPITAL NET | G 3,240,025 | 2,092,704 |

As of September 30, 2015 and 2014, respectively, the paid-in capital includes 5,727 and 5,327 shares acquired by employees of the Bank. These shares bear voting rights in accordance with the by-laws of the Bank and receive regularly declared dividends. According to a contract between the Bank and the employees, some restrictions on transfer of such shares shall apply for a period of five to ten years from the date of acquisition.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(19) SUBSIDIARIES AND MINORITY INTEREST IN SUBSIDIARIES

GROUP COMPANIES

UNIBANK S.A. is the parent company of the Group. Its share interest in its subsidiaries are as follows:

| | 2015 | 2014 |
|---|----------------------|----------------------|
| <u>BANKING ACTIVITIES AND SERVICES</u> | | |
| MICRO CRÉDIT NATIONAL S.A. (Micro-finance institution) | <u>100%</u> | <u>100%</u> |
| UNICARTE S.A. (Credit card company) | <u>100%</u> | <u>100%</u> |
| UNICRÉDIT S.A. (Consumer finance company) | <u>100%</u> | <u>100%</u> |
| UNIFINANCE S.A. (Merchant/investment banking services) | <u>100%</u> | <u>100%</u> |
| UNITRANSFER S.A. (HAITI) (Money remittance company) | <u>100%</u> | <u>100%</u> |
| UNITRANSFER INTERNATIONAL LTD. (Money remittance company) | <u>100%</u> | <u>100%</u> |
| <u>INSURANCE SERVICES</u> | | |
| UNIASSURANCES S.A. (Insurance company) | <u>100%</u> | <u>100%</u> |
| <u>NON BANKING INVESTMENTS</u> | | |
| A- INVESTMENT COMPANIES | | |
| GROUPE FINANCIER NATIONAL S.A. | | |
| (Group management and non banking investments) | <u>100%</u> | <u>100%</u> |
| GFN INTERNATIONAL ASSETS LTD. | | |
| (Non-real estate asset management company) | <u>100%</u> | <u>100%</u> |
| SOCIÉTÉ NATIONALE D'INVESTISSEMENT S.A. (SNI) | | |
| (Investment company) | <u>100%</u> | <u>100%</u> |
| CAPITAL CONSULT S.A. (Consulting services) | | |
| SNI MINOTERIE L.P. (a) (Investment Company) | | |
| Holding through GFN S.A. | <u>61.10%</u> | <u>61.10%</u> |
| B- REAL ESTATE COMPANIES | | |
| IMMOBILIER S.A. (IMSA) (Real Estate Promotion Company) | | |
| CENTRALE IMMOBILIÈRE S.A. (CISA) | | |
| (Real estate management services) | <u>100%</u> | <u>100%</u> |
| GFN REAL ESTATE LTD. (Real Estate Company) | | |
| INTERNATIONAL SUNRISE PARTNERS LLC | | |
| (Real Estate Company) | <u>100%</u> | <u>100%</u> |
| GFN REAL ESTATE LLC (Real Estate Company) | | |
| GFN RESTAURANT II LLC (Real Estate Company) | | |
| <u>100%</u> | | |
| <u>100%</u> | | |

(a) SNI Minoterie L.P.' s main activity is its investment of 23.3% in Les Moulins Haïti S.E.M..

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(19) SUBSIDIARIES AND MINORITY INTEREST IN SUBSIDIARIES (CONTINUED)

The results and net assets of these subsidiaries are as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|---------------------------------------|--------------------|------------------|
| MICRO CRÉDIT NATIONAL S.A. | | |
| Total assets | G <u>2,714,774</u> | <u>1,343,827</u> |
| Total liabilities | G <u>1,628,678</u> | <u>448,455</u> |
| Net income for the year | G <u>190,723</u> | <u>209,786</u> |
| Net assets | G <u>1,086,096</u> | <u>895,372</u> |
| UNICARTE S.A. | | |
| Total assets | G <u>1,011,191</u> | <u>862,917</u> |
| Total liabilities | G <u>451,264</u> | <u>396,685</u> |
| Net income for the year | G <u>93,695</u> | <u>71,662</u> |
| Net assets | G <u>559,927</u> | <u>466,232</u> |
| UNICRÉDIT S.A. | | |
| Total assets | G <u>164,310</u> | <u>152,569</u> |
| Total liabilities | G <u>4,384</u> | <u>3,714</u> |
| Net income for the year | G <u>11,071</u> | <u>9,340</u> |
| Net assets | G <u>159,926</u> | <u>148,855</u> |
| UNIFINANCE S.A. | | |
| Total assets | G <u>838,661</u> | <u>721,407</u> |
| Total liabilities | G <u>77,412</u> | <u>56,094</u> |
| Net income for the year | G <u>95,936</u> | <u>43,697</u> |
| Net assets | G <u>761,249</u> | <u>665,313</u> |
| UNITRANSFER S.A. (HAITI) | | |
| Total assets | G <u>819,605</u> | <u>499,703</u> |
| Total passif | G <u>495,694</u> | <u>244,477</u> |
| Net income for the year | G <u>68,685</u> | <u>39,051</u> |
| Net assets | G <u>323,911</u> | <u>255,226</u> |
| UNITRANSFER INTERNATIONAL LTD. | | |
| Total assets | G <u>744,958</u> | <u>617,713</u> |
| Total liabilities | G <u>232,282</u> | <u>189,065</u> |
| Net income for the year | G <u>24,788</u> | <u>36,864</u> |
| Net assets | G <u>512,676</u> | <u>428,648</u> |
| UNIASSURANCES S.A. | | |
| Total assets | G <u>931,146</u> | <u>465,369</u> |
| Total liabilities | G <u>380,258</u> | <u>235,821</u> |
| Net income for the year | G <u>21,341</u> | <u>22,244</u> |
| Net assets | G <u>550,888</u> | <u>229,548</u> |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(19) SUBSIDIARIES AND MINORITY INTEREST IN SUBSIDIARIES (CONTINUED)

| (In thousands of gourdes) | 2015 | 2014 |
|--|--------------------|------------------|
| GRUPE FINANCIER NATIONAL S.A. | | |
| Total assets | G <u>6,218,480</u> | <u>5,571,719</u> |
| Total liabilities | G <u>244,971</u> | <u>194,431</u> |
| Net income for the year | G <u>448,029</u> | <u>491,170</u> |
| Net assets | G <u>5,973,509</u> | <u>5,377,288</u> |
| GFN INTERNATIONAL ASSETS LTD. | | |
| Total assets | G <u>983</u> | <u>923</u> |
| Total liabilities | G <u>55</u> | <u>-</u> |
| Net income (loss) for the year | G <u>6</u> | <u>(16)</u> |
| Net assets | G <u>928</u> | <u>923</u> |
| SOCIÉTÉ NATIONALE D'INVESTISSEMENT S.A. | | |
| Total assets | G <u>7,864</u> | <u>5,626</u> |
| Total passif | G <u>94</u> | <u>-</u> |
| Net income (loss) for the year | G <u>243</u> | <u>(8)</u> |
| Net assets | G <u>7,770</u> | <u>5,626</u> |
| CAPITAL CONSULT S.A. | | |
| Total assets | G <u>39,839</u> | <u>38,204</u> |
| Total liabilities | G <u>1,672</u> | <u>3,289</u> |
| Net income for the year | G <u>3,252</u> | <u>4,174</u> |
| Net assets | G <u>38,167</u> | <u>34,915</u> |
| SNI MINOTERIE L.P. | | |
| Total assets | G <u>609,087</u> | <u>543,238</u> |
| Total liabilities | G <u>1,653</u> | <u>2,669</u> |
| Net income for the year | G <u>114,705</u> | <u>51,837</u> |
| Actif net | G <u>607,434</u> | <u>540,569</u> |
| IMMOBILIER S.A. (IMSA) | | |
| Total assets | G <u>117,625</u> | <u>115,084</u> |
| Total liabilities | G <u>7,870</u> | <u>20,343</u> |
| Net income for the year | G <u>15,014</u> | <u>45,002</u> |
| Net assets | G <u>109,755</u> | <u>94,741</u> |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(19) SUBSIDIARIES AND MINORITY INTEREST IN SUBSIDIARIES (CONTINUED)

| (In thousands of gourdes) | 2015 | 2014 |
|---|--------------------|------------------|
| CENTRALE IMMOBILIÈRE S.A. | | |
| Total assets | G <u>160,185</u> | <u>148,517</u> |
| Total liabilities | G <u>7,995</u> | <u>5,298</u> |
| Net income for the year | G <u>8,972</u> | <u>1,170</u> |
| Net assets | G <u>152,190</u> | <u>143,219</u> |
| GFN REAL ESTATE LTD. | | |
| Consolidant GFN Real Estate LLC International Sunrise Partners LLC et GFN Restaurant II LLC | | |
| Total assets | G <u>1,212,227</u> | <u>1,042,311</u> |
| Total liabilities | G <u>34,123</u> | <u>35,089</u> |
| Net income for the year | G <u>23,730</u> | <u>6,530</u> |
| Net assets | G <u>1,178,104</u> | <u>1,007,222</u> |

As of September 30, minority interest in subsidiaries is as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|--|------------------|----------------|
| SNI MINOTERIE L.P. | | |
| Minority interest of 38.90% in 2015 and 2014 | | |
| Initial cost of investment | G 28,900 | 28,900 |
| Decrease in holding at par value | <u>(5,119)</u> | <u>(5,119)</u> |
| | 23,781 | 23,781 |
| Dividends | (19,271) | (7,147) |
| Share of results and reserves | <u>232,633</u> | <u>194,498</u> |
| | G 237,143 | 211,132 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(20) INCOME TAXES

Income tax expense, including current and deferred income taxes, is calculated based on the consolidated income before income taxes and differs from the amounts computed using the statutory rates as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|---|-------------------------|------------------|
| Income before income taxes | G 2,434,948 | 1,965,906 |
| Share of net income not taxable locally: | | |
| Unitransfer International | (30,099) | (52,321) |
| Minoritaires dans SNI Minoterie | (44,620) | (20,165) |
| GFN Real Estate Ltd. | <u>(23,730)</u> | <u>(6,530)</u> |
| | <u>(98,449)</u> | <u>(79,016)</u> |
| Undistributed share of income of the following local in GFN S.A. affiliates and joint ventures: | | |
| Dinasa (note 8a, b) - 50% | (287,393) | (429,152) |
| SNI Minoterie (note 8) - 61.10% | (70,084) | (32,970) |
| Corail S.A. (note 8) 15.80% | <u>(2,065)</u> | <u>(6,545)</u> |
| | <u>(359,542)</u> | <u>(468,667)</u> |
| Income before income taxes, taxable locally | <u>1,976,957</u> | <u>1,418,223</u> |
| Income taxes based on statutory rates (30%) | 593,087 | 425,467 |
| Effect of items not included in taxable income: | | |
| Deferred income taxes on the undistributed share Of income at the rate 20% on dividends (note 16a) | 71,909 | 93,733 |
| Transfer to legal reserve | (100,259) | (86,028) |
| Difference between the impairment loss and the amount allowed for tax purposes | (31,039) | (52,132) |
| Reinvestment of retained earnings of Dinasa in 2014 in (note 16a) | - | (55,000) |
| Income taxes – Unitransfer USA | 5,312 | 15,456 |
| CFGDCT and other | 15,392 | 9,579 |
| Tax credit (notes 12 and 16a) | - | (71,040) |
| Income tax expense | G 554,402 | 280,035 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(20) INCOME TAXES (CONTINUED)

Income tax expense is composed of:

| (In thousands of gourdes) | | 2015 | 2014 |
|----------------------------------|----------|----------------------|---------------|
| Current taxes | G | 482,493 | 241,302 |
| Deferred taxes | | <u>71,909</u> | <u>38,733</u> |
| | G | 554,402 | 280,035 |

Income taxes related to the share of net income generated by the investments in the affiliated companies and joint ventures recognized based on the equity method, are deferred and dividends are taxed when effectively perceived.

Deferred tax is established as follows:

| (In thousands of gourdes) | | 2015 | 2014 |
|---|----------|---------------|-----------------|
| Deferred income taxes on undistributed share of net income at the rate of 20% on dividend | G | 71,909 | 93,733 |
| Less deferred income taxes related to share of net income | | <u>-</u> | <u>(55,000)</u> |
| | G | 71,909 | 38,733 |

As of September 30, the effect of income taxes on other components of the consolidated statement of comprehensive income is as follows:

| (In thousands of gourdes) | 2015 | | | 2014 | | |
|--|---------------------|---------------------------|-------------------|---------------------|---------------------------|-------------------|
| | Gross amount | Effect of taxation | Net amount | Gross amount | Effect of taxation | Net amount |
| Unrealized loss, on investments net of foreign exchange effect transferred to the consolidated statement of income | <u>-</u> | <u>-</u> | <u>-</u> | <u>32,293</u> | <u>(9,688)</u> | <u>22,605</u> |
| | G | - | - | 32,293 | (9,688) | 22,605 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(21) RETIREMENT SAVINGS FOR EMPLOYEES

In addition to legal contributions to the mandatory Government Retirement Plan, the Bank and its subsidiaries contribute to the employees' retirement fund based on a variable contribution rate according to internal guidelines. This liability is supported by a savings deposit in US dollars bearing interest at the rate of 5.0% in 2015 and 2014. The Group's contributions to this savings account for 2015 and 2014 amount to G 30,635M and G 25,186M, respectively.

(22) SALARIES AND OTHER EMPLOYEE BENEFITS

Salaries and other employee benefits are as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|----------------------------------|-----------------------|----------------|
| Salaries | G 983,035 | 864,625 |
| Employee benefits | 297,200 | 256,120 |
| Other employee expenses | <u>319,179</u> | <u>256,910</u> |
| | G 1,599,414 | 1,377,655 |

(23) INSURANCE UNDERWRITING INCOME, NET OF CLAIMS

Net insurance premiums are derived from the operations of Uniassurances S.A.

As of September 30, net insurance premiums are as follows:

| (In thousands of gourdes) | 2015 | 2014 |
|--|---------------------|--------------|
| Insurance premiums collected | G 334,418 | 315,562 |
| Administrative fees | 4,802 | 2,428 |
| Insurance premiums ceded to reinsurers | (110,101) | (85,995) |
| Reinsurance costs | (71,352) | (83,791) |
| Insurance claims | (88,591) | (62,744) |
| Net brokerage fees | (5,936) | (4,959) |
| Discounts | <u>(739)</u> | <u>(134)</u> |
| | G 62,501 | 80,367 |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(24) TRANSACTIONS WITH RELATED PARTIES

The main companies related to UNIBANK S.A. and its subsidiaries are as follows:

- Les Moulins d’Haiti S.E.M. and Haiti Agro Processors Holding of which GFN S.A. through Unifinance S.A. and SNI Minoterie L.P. owns 23.3% of the capital.
- Distributeurs Nationaux S.A. (DINASA) of which GFN S.A. through Unifinance S.A. owns 50% of the capital.
- Corail S.A. of which GFN S.A. owns 15.8% of the capital

Fondation UNIBANK, a non profit institution, is also related to UNIBANK S.A. (**note 1**).

The balances of the transactions with these companies are as follows:

| As of September 30 (In thousands of gourdes) | | 2015 | 2014 |
|---|----------|-------------------------|------------------|
| ASSETS | | | |
| Long-term corporate investments (note 8) | G | 3,024,288 | 2,905,966 |
| Loans | | <u>578,371</u> | <u>835,513</u> |
| | G | <u>3,602,659</u> | <u>3,741,479</u> |
| LIABILITIES | | | |
| Deposits | G | 1,622,841 | 1,154,310 |
| Subordinated debt (note 17) | | <u>130,482</u> | <u>100,000</u> |
| | G | <u>1,753,323</u> | <u>1,254,310</u> |
| During the years (In thousands of gourdes) | | | |
| INCOME | | | |
| Interest income | G | 118,960 | 128,496 |
| Management fees | | 25,500 | 22,282 |
| Commissions | | - | 59,225 |
| Other income | | <u>25,762</u> | <u>34,298</u> |
| | G | <u>170,222</u> | <u>244,301</u> |

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(24) TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

In the normal course of business, the Bank provides ordinary banking services to and receives services from related parties, at conditions similar to those applied to third parties.

Loans granted to employees of the Bank and its affiliates, and to members of the Board of Directors and their related parties are disclosed in **note 9**.

Deposits of members of the Board of Directors and their related parties are reflected in **note 13**.

Expenses incurred with related parties are as follows:

| (In thousands of gourdes) | 2015 | 2016 |
|----------------------------------|-----------------|-------------|
| Rent | G 1,061 | 805 |
| Others | G 94,484 | 76,696 |

(25) COMMITMENTS AND CONTINGENT LIABILITIES

In the normal course of business, the Bank contracts various engagements and assumes contingent liabilities that are not reflected in the consolidated balance sheet.

- a)** As of the date of the financial statements, the Bank and its subsidiaries have entered into several rental agreements. However, these agreements can generally be canceled with a six-month notice. Rental amounts to be paid over the next five years are as follows:

| <u>(In thousands of gourdes)</u> | | |
|---|---|---------|
| 2016 | G | 115,372 |
| 2017 | | 90,812 |
| 2018 | | 65,275 |
| 2019 | | 45,477 |
| 2020 | | 38,853 |

- b)** Letters of guarantee and standby letters of credit issued as of September 30, 2015 and 2014 amount to G 952,350M and G 1,093,832M, respectively.

(Continued)

UNIBANK S.A.
Notes to Consolidated Financial Statements

(26) LITIGATION

- a) As of September 30, 2015, the Bank is engaged in litigation with some of its clients. To date, as per legal counsels' opinion, there is no exceptional situation and no judicial outcome which could significantly affect the non-consolidated financial statements and/or UNIBANK's financial standing
- b) On November 9, 2011, UNIBANK S.A. filed a lawsuit against GFA Haiti S.A. and Mr. Albert Dufort, taken in his capacity as Chairman of the Board of Directors of GFA Haiti S.A. and main shareholder of aforementioned Corporation, before the Court of First Instance of Port-au-Prince, in its commercial proceedings, in order to obtain payment of indemnities owed to the Bank, following the earthquake of January 12, 2010.

On June 6, 2012, the Court of First Instance of Port-au-Prince in its commercial proceedings rendered an adversarial judgment, in favor of UNIBANK S.A., condemning jointly GFA Haiti S.A. and Mr. Albert Dufort, in the same capacity aforementioned, to pay to the Bank indemnities of five million nine hundred eighty thousand four hundred twenty one & 32/100 American dollars (US\$ 5,980,421.32) and punitive damages estimated at seven hundred thousand & 00/10 dollars (US\$ 700,000.00).

This judgment has been confirmed by a ruling of the Court of Appeal of Port-au-Prince, on August 13, 2013 and maintained in its form and content by a ruling of the Supreme Court dated July 25, 2014. In order to execute those legal decisions, on January 15, 2015 the legal counsels of UNIBANK S.A. obtained from the judge of expedited matters an adversarial ruling calling for the continuation of the prosecution.

Following this decision, Mr. Albert Dufort introduced two dilatory legal actions in an attempt to delay execution of the judgment: a civil petition and an opposition to notary and to Sogebank to reveal his financial assets or other property.

The ruling on the civil petition was in favor of UNIBANK S.A. The legal counsel is ensuring the follow-up of the execution of the June 12, 2012 judgment against the corporation GFA Haiti S.A. and Mr. Albert Dufort.

UNIBANK S.A.
Notes to Consolidated Financial Statements

(26) LITIGATION (CONTINUED)

- c) On September 18, 2014, UNIBANK S.A. filed a law suit, in the Court of First Instance of Port-au-Prince, against the heirs of Raymond Louis Roy and the heirs of Alfred Vieux's widow, born Fernande Laforest, in an action to complete the purchase of land located at Laffiteau, Communal Section of Source Matelas, Municipality of Cabaret. On March 6, 2015, the Court of First Instance of Port-au-Prince rendered an adversarial judgment in favor of UNIBANK establishing its rights and quality as owner of Habitation Laffiteau.

On April 10, 2015, the heirs of the deceased Alfred Vieux's widow born Fernande Laforest and the ones of the deceased Raymond Louis Roy appealed the aforementioned judgment. From July 2015, the parties entered into negotiations, and reached an agreement, signed on December 21, 2015, by all parties, namely, the heirs of the deceased Alfred Vieux's widow born Fernande Laforest and the ones of the deceased Raymond Louis Roy; as well as Mr. Gilbert Bigio, the occupant but not the owner of Habitation Laffiteau, and UNIBANK S.A. Consequently, any and all pending disputes between them were terminated. This agreement was served on January 12, 2016 to the Court of Appeal of Port-au-Prince, which on January 15, 2016 issued a certificate attesting that these disputes were removed from the inventory and erased from the roll.

Following this agreement, the Groupe Financier National S.A. (GFN), investment subsidiary of UNIBANK S.A., purchased all the shares (50%) that GB Group held in the shareholding of the corporation Distributeurs Nationaux S.A. (Dinasa), thus becoming the sole owner of the most important oil distribution company in Haiti. As part of the agreement to purchase Dinasa, UNIBANK S.A., in return, renounced the effects of the judgment of the Court of First Instance of Port-au-Prince of March 6, 2015 establishing its rights and quality as owner of Habitation Laffiteau.

SCHEDULE I

UNIBANK S.A.
Consolidated Balance Sheets
September 30, 2015 and 2014
(Expressed in US Dollars)

| | | 2015 | 2014 |
|---|------|----------------------|----------------------|
| ASSETS | | | |
| CASH AND CASH EQUIVALENTS | US\$ | 563,300,660 | 446,849,235 |
| HAITIAN TREASURY BONDS | | 14,804,395 | 15,006,418 |
| INVESTMENTS | | 175,823,364 | 123,567,034 |
| LONG-TERM CORPORATE INVESTMENTS | | | |
| Affiliated companies | | 58,001,331 | 63,786,507 |
| Others | | 2,803 | 3,208 |
| | | <u>58,004,134</u> | <u>63,789,715</u> |
| LOANS | | | |
| Impairment provision | | 436,619,746 | 526,693,541 |
| | | <u>(5,465,389)</u> | <u>(4,150,384)</u> |
| | | 431,154,357 | 522,543,157 |
| FIXED ASSETS, NET | | | |
| Fixed assets, at cost | | - | 69,484,387 |
| Accumulated depreciation | | - | (37,027,107) |
| | | <u>30,887,027</u> | <u>32,457,280</u> |
| OTHER | | | |
| Investment properties | | 19,424,641 | 19,976,708 |
| Acceptances and letters of credit | | 2,947,111 | 6,381,964 |
| Other assets | | 30,888,244 | 33,040,684 |
| | | <u>53,259,996</u> | <u>59,399,356</u> |
| | US\$ | 1,327,233,933 | 1,263,612,195 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| DEPOSITS | | | |
| | | 1,027,348,770 | 1,000,333,594 |
| DEBT | | | |
| | | 88,520,048 | 46,532,777 |
| OTHERS | | | |
| Term bonds | | 7,490,033 | 10,054,237 |
| Commitments – acceptances and letters of credit | | 2,947,111 | 6,381,964 |
| Other liabilities | | 66,698,181 | 70,974,755 |
| | | <u>77,135,325</u> | <u>87,410,956</u> |
| SUBORDINATED DEBT | | | |
| | | 2,502,456 | 2,195,019 |
| TOTAL LIABILITIES | | | |
| | | 1,195,506,599 | 1,136,472,346 |
| SHAREHOLDERS' EQUITY | | | |
| Paid-in capital | | 62,138,845 | 45,952,539 |
| Treasury shares | | - | (17,297) |
| Share capital, net | | <u>62,138,845</u> | <u>45,935,242</u> |
| Paid-in surplus | | - | 696,564 |
| Retained earnings | | 52,096,106 | 50,215,905 |
| Other reserves | | 12,944,340 | 25,657,748 |
| Shareholders' equity of UNIBANK S.A. | | <u>127,179,291</u> | <u>122,505,459</u> |
| Minority interest in subsidiaries | | 4,548,043 | 4,634,390 |
| | | <u>131,727,334</u> | <u>127,139,849</u> |
| | US\$ | 1,327,233,933 | 1,263,612,195 |

SCHEDULE II

UNIBANK S.A.
Consolidated Statements of Income
Years ended September 30, 2015 and 2014
(Expressed in US Dollars)

| | | 2015 | 2014 |
|--|------|--------------------|--------------------|
| INTEREST INCOME | | | |
| Loans | US\$ | 60,955,711 | 50,350,451 |
| Haitian Treasury bonds, investments and deposits | | <u>2,200,802</u> | <u>1,409,450</u> |
| | | 63,156,513 | 51,759,901 |
| INTEREST EXPENSE | | | |
| Deposits | | 5,840,297 | 1,879,225 |
| Long-term debt, term bonds and others | | <u>1,618,359</u> | <u>1,348,953</u> |
| | | 7,458,656 | 3,228,178 |
| NET INTEREST INCOME | | | |
| Impairment charge for credit loss | | <u>(4,248,681)</u> | <u>(2,183,762)</u> |
| | | 51,449,176 | 46,347,961 |
| OTHER INCOME (EXPENSES) | | | |
| Commissions | | 33,363,099 | 37,406,885 |
| Share of net income of non-consolidated affiliates, net of income taxes | | 8,324,216 | 10,950,381 |
| Foreign exchange gain | | 22,738,893 | 9,777,708 |
| Insurance underwriting income, net of claims | | 1,278,874 | 1,797,272 |
| Dividends and other investment revenue | | 1,152,224 | 1,111,926 |
| Income from real estate investments | | 907,424 | 482,511 |
| Underwriting commissions and other advisory fees | | 265,859 | 320,511 |
| Unrealized loss on foreign debt securities | | (615,038) | (416,226) |
| Others | | <u>319,880</u> | <u>2,113,346</u> |
| | | 67,735,431 | 63,544,314 |
| NET INTEREST INCOME AND OTHER INCOME | | | |
| | | 119,184,607 | 109,892,275 |
| OPERATING EXPENSES | | | |
| Salaries and other employee benefits | | 32,726,869 | 30,808,928 |
| Premises and equipment | | 10,989,963 | 11,115,901 |
| Depreciation | | 5,567,244 | 5,627,101 |
| Other operating expenses | | <u>20,077,171</u> | <u>18,376,178</u> |
| | | 69,361,247 | 65,928,108 |
| INCOME BEFORE INCOME TAXES | | | |
| | | 49,823,360 | 43,964,167 |
| INCOME TAXES | | | |
| CURRENT | | 9,872,667 | 5,396,311 |
| DEFERRED | | <u>1,471,376</u> | <u>866,194</u> |
| | | 11,344,043 | 6,262,505 |
| NET INCOME | | | |
| | | 38,479,317 | 37,701,662 |
| Net income attributable to the shareholders of UNIBANK S.A. | | | |
| | | 37,566,310 | 37,250,712 |
| Net income attributable to minority interest | | | |
| | | 913,007 | 450,950 |
| NET INCOME | | | |
| | US\$ | 38,479,317 | 37,701,662 |
| Net income per equivalent share of paid-in capital attributable to the shareholders of UNIBANK S.A. | | | |
| | US\$ | 72.47 | 71.20 |

SCHEDULE III

UNIBANK S.A.
Consolidated Statements of Comprehensive Income
Years ended September 30, 2015 and 2014
(Expressed in US Dollars)

| | 2015 | 2014 |
|---|------------------------|-------------------|
| NET INCOME | US\$ 38,479,317 | 37,701,662 |
| Components of comprehensive income: | | |
| Foreign currency translation effect for foreign subsidiaries | 4,257,931 | 490,884 |
| Net change in fair value of available-for-sale foreign debt securities: | | |
| Unrealized loss, net of foreign exchange effect | - | - |
| Realized loss, net of foreign exchange effect, transferred to the consolidated statement of income | - | 722,178 |
| | - | 722,178 |
| Income tax effect of components of comprehensive income | - | (216,653) |
| | - | 505,525 |
| COMPREHENSIVE INCOME FOR THE YEAR | 42,737,248 | 38,698,071 |
| Comprehensive income attributable to the shareholders of UNIBANK S.A. | 41,810,714 | 38,243,329 |
| Comprehensive income attributable to minority interest | 926,534 | 454,742 |
| COMPREHENSIVE INCOME FOR THE YEAR | US\$ 42,737,248 | 38,698,071 |
| Comprehensive income per equivalent share of paid-in capital attributable to the shareholders of UNIBANK S.A. | US\$ 80.66 | 73.11 |

UNIBANK S.A.
Consolidated Statement of Changes in Shareholders' Equity
Year ended September 30, 2014
(Expressed in US Dollars)

| | | Other reserves | | | | | | | | | | Minority interest in subsidiaries | Total |
|---|------|-----------------|-----------------|-----------------|-------------------|---------------|---------------------------------|--------------------------|--|------------------------|------------------|-----------------------------------|-------------------|
| | | Paid-in capital | Treasury shares | Paid-in surplus | Retained earnings | Legal reserve | General reserve for loan losses | Revaluation reserve-land | Unrealized loss on foreign debt securities | Translation adjustment | Total reserves | | |
| Balance as of September 30, 2013 | US\$ | 47,859,013 | - | 761,630 | 42,483,132 | 9,308,608 | 5,756,347 | 569,496 | (516,771) | 3,257,024 | 18,374,704 | 4,525,182 | 114,003,661 |
| Net income for the year | | - | - | - | 37,250,712 | - | - | - | - | - | - | 450,940 | 37,701,652 |
| <i>Components of comprehensive income:</i> | | | | | | | | | | | | | |
| Realized gain transferred to the consolidated statement of income | | - | - | - | - | - | - | - | 516,771 | - | 516,771 | - | 516,771 |
| Foreign currency translation effect for foreign subsidiaries | | - | - | - | - | - | - | - | - | 487,118 | 487,118 | 3,802 | 490,920 |
| Total | | <u>-</u> | <u>-</u> | <u>-</u> | <u>37,250,712</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>516,771</u> | <u>487,118</u> | <u>1,003,889</u> | <u>454,742</u> | <u>38,709,343</u> |
| Transfer from retained earnings | | | | | | | | | | | | | |
| Transfer to legal reserve | | - | - | - | (6,412,885) | 6,412,885 | - | - | - | - | 6,412,885 | - | - |
| Transfer to general reserve for loan losses | | - | - | - | (760,353) | - | 760,353 | - | - | - | 760,353 | - | - |
| <i>Transactions with shareholders:</i> | | | | | | | | | | | | | |
| Cash dividends | | - | - | - | (20,474,989) | - | - | - | - | - | - | - | (20,474,989) |
| Repurchase of shares | | - | (17,297) | (34,725) | - | - | - | - | - | - | - | - | (52,022) |
| Translation adjustment | | (1,906,474) | - | (30,341) | (1,869,712) | (489,278) | (243,352) | (22,686) | - | (138,767) | (894,083) | (345,534) | (5,046,144) |
| Balance as of September 30, 2014 | US\$ | 45,952,539 | (17,297) | 696,564 | 50,215,905 | 15,232,215 | 6,273,348 | 546,810 | - | 3,605,375 | 25,657,748 | 4,634,390 | 127,139,849 |

UNIBANK S.A.
Consolidated Statement of Changes in Shareholders' Equity
Year ended September 30, 2015
(Expressed in US Dollars)

| | US\$ | Paid-in Capital | Treasury shares | Paid-in surplus | Retained earnings | Other reserves | | | | | Minority interest in subsidiaries | Total | |
|---|------|--------------------|--------------------|--------------------|----------------------|-------------------|---------------------------------------|-----------------------------|--|---------------------------|---|------------------|--------------------|
| | | | | | | Legal reserve | General reserve for loan losses | Revaluation reserve-land | Unrealized loss on foreign debt securities | Translation adjustment | | | Total reserves |
| Balance as of September 30, 2014 | | 45,952,539 | (17,297) | 696,564 | 50,215,905 | 15,232,215 | 6,273,348 | 546,810 | - | 3,605,375 | 25,657,748 | 4,634,390 | 127,139,849 |
| Net income for the year | | - | - | - | 37,566,310 | - | - | - | - | - | - | 913,007 | 38,479,317 |
| <i>Components of comprehensive income:</i> | | | | | | | | | | | | | |
| Foreign currency translation effect for foreign subsidiaries | | - | - | - | - | - | - | - | - | 4,244,404 | 4,244,404 | 13,527 | 4,257,931 |
| Total | | - | - | - | 37,566,310 | - | - | - | - | 4,244,404 | 4,244,404 | 926,534 | 42,737,248 |
| <i>Transfer to retained earnings</i> | | | | | | | | | | | | | |
| Transfer to legal reserve | | - | - | - | (6,838,272) | 6,838,272 | - | - | - | - | 6,838,272 | - | - |
| Transfer of legal reserve | | | | | | | | | | | | | |
| Transfer to general reserve for capital | | - | - | - | 152,528 | - | (152,528) | - | - | - | (152,528) | - | - |
| <i>Transactions with shareholders</i> | | | | | | | | | | | | | |
| Transfer to general reserve for loan losses | | 22,070,487 | - | - | - | (22,070,487) | - | - | - | - | (22,070,487) | - | - |
| Transfer to capital fund | | 2,438,288 | - | - | (2,438,288) | - | - | - | - | - | - | - | - |
| Transfer paid-in capital and treasury capital | | (215,671) | 411,878 | (196,207) | - | - | - | - | - | - | - | - | - |
| Cash dividends | | - | - | - | (19,508,013) | - | - | - | - | - | - | 394,321 | (19,113,692) |
| Repurchase of shares | | - | (423,313) | (525,147) | - | - | - | - | - | - | - | - | (948,460) |
| Sales shares | | 47,946 | - | 79,811 | - | - | - | - | - | - | - | - | 127,757 |
| Effect of conversion of the year | | (8,154,744) | 28,732 | (55,021) | (7,054,064) | - | (782,578) | (69,046) | - | (721,445) | (1,573,069) | (1,407,202) | (18,215,368) |
| Balance as of September 30, 2015 | | 62,138,845 | - | - | 52,096,106 | - | 5,338,242 | 477,764 | - | 7,128,334 | 12,944,340 | 4,548,043 | 131,727,334 |