

Bank: JSC "Liberty Bank"

Date: 31-Mar-13

sheet N1

Balance Sheet

in lari

N	ASSETS	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	67,469,289	24,107,773	91,577,062	49,484,332	22,225,857	71,710,189
2	Due from NBG	79,489,966	128,032,469	207,522,435	60,869,423	18,616,503	79,485,926
3	Due from Banks	0	48,866,552	48,866,552	3,500,000	31,942,504	35,442,504
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	73,571,764	0	73,571,764	129,828,324	2,482,864	132,311,188
6.1	Loans	400,818,793	27,032,506	427,851,299	334,436,088	39,898,357	374,334,445
6.2	Less: Loan Loss Reserves	(23,343,664)	(1,216,154)	(24,559,818)	(20,472,281)	(12,726,183)	(33,198,464)
6	Net Loans	377,475,129	25,816,352	403,291,481	313,963,807	27,172,174	341,135,981
7	Accrued Interest and Dividends Receivable	6,845,177	653,835	7,499,012	6,894,416	1,258,711	8,153,127
8	Other Real Estate Owned & Repossessed Assets	781,086	X	781,086	755,876	X	755,876
9	Equity Investments	1,974,689	0	1,974,689	1,869,484	0	1,869,484
10	Fixed Assets and Intangible Assets	135,602,416	X	135,602,416	129,312,034	X	129,312,034
11	Other Assets	14,030,570	6,574,955	20,605,525	12,644,055	11,480,602	24,124,657
12	TOTAL ASSETS	757,240,086	234,051,936	991,292,022	709,121,751	115,179,215	824,300,966
	LIABILITIES						
13	Due to Banks	23,317,457	1,229,082	24,546,539	8,264,173	177,991	8,442,164
14	Current (Accounts) Deposits	482,776,716	22,884,412	505,661,128	520,508,413	21,020,375	541,528,788
15	Demand Deposits	11,903,799	189,216	12,093,015	8,917,950	242,947	9,160,897
16	Time Deposits	108,730,073	199,015,035	307,745,108	48,557,780	91,120,859	139,678,639
17	Own Debt Securities	0	0	0	18,614,733	0	18,614,733
18	Borrowings	0	0	0	0	97,310	97,310
19	Accrued Interest and Dividends Payable	4,875,445	6,374,786	11,250,231	3,826,333	3,158,071	6,984,404
20	Other Liabilities	11,214,192	3,304,140	14,518,332	6,885,708	7,767,040	14,652,748
21	Subordinated Debentures	0	0	0	0	0	0
22	Total Liabilities	642,817,682	232,996,671	875,814,353	615,575,090	123,584,593	739,159,683
	EQUITY CAPITAL						
23	Common Stock	53,284,246	X	53,284,246	42,707,693	X	42,707,693
24	Preferred Stock	42,130	X	42,130	0	X	0
25	Less: Repurchased Shares	0	X	0	0	X	0
26	Share Premium	46,304,359	X	46,304,359	34,095,280	X	34,095,280
27	General Reserves	1,694,028	X	1,694,028	1,694,028	X	1,694,028
28	Retained Earnings	(19,885,618)	X	(19,885,618)	(15,720,418)	X	(15,720,418)
29	Asset Revaluation Reserves	34,038,524	X	34,038,524	22,364,700	X	22,364,700
30	Total Equity Capital	115,477,669	X	115,477,669	85,141,283	X	85,141,283
31	TOTAL LIABILITIES AND EQUITY CAPITAL	758,295,351	232,996,671	991,292,022	700,716,373	123,584,593	824,300,966

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 31-Mar-13

sheet N2

Income Statement

in lari

N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
	Interest Income						
1	Interest Income from Bank's "Nostro" and Deposit Accounts	853,605	297,117	1,150,722	948,087	101,665	1,049,752
2	Interest Income from Loans	30,019,077	1,237,680	31,256,757	20,101,876	804,331	20,906,207
2.1	from the Interbank Loans			0			0
2.2	from the Retail or Service Sector Loans	182,889	121,702	304,591	404,853	84,866	489,719
2.3	from the Energy Sector Loans	111		111	4,128		4,128
2.4	from the Agriculture and Forestry Sector Loans	49,691	3,372	53,063	127,792	9,872	137,664
2.5	from the Construction Sector Loans	31,270		31,270	36,020		36,020
2.6	from the Mining and Mineral Processing Sector Loans			0	246		246
2.7	from the Transportation or Communications Sector Loans			0	24,528		24,528
2.8	from Individuals Loans	29,264,593	1,009,464	30,274,057	18,629,733	414,229	19,043,962
2.9	from Other Sectors Loans	490,523	103,142	593,665	874,576	295,364	1,169,940
3	Interest Income From Fines on Customer Loans	784,746	55,045	839,791	377,152	17,123	394,275
4	Interest and Discount Income from Securities	1,441,299	0	1,441,299	3,084,515	61,862	3,146,377
5	Other Interest Income	110,649	3,587	114,236	435,357	26,294	461,651
6	Total Interest Income	33,209,376	1,593,429	34,802,805	24,946,987	1,011,275	25,958,262
	Interest Expense						
7	Interest Paid on Demand Deposits	12,366,336	193,240	12,559,576	12,362,200	195,704	12,557,904
8	Interest Paid on Time Deposits	3,297,957	4,585,443	7,883,400	1,604,186	1,881,372	3,485,558
9	Interest Paid on Banks Deposits	932,612	301	932,913	129,203	207	129,410
10	Interest Paid on Own Debt Securities	42,529	0	42,529	707,496		707,496
11	Interest Paid on Other Borrowings	170,959	0	170,959		840	840
12	Other Interest Expenses	8,575	210	8,785	30,015	284	30,299
13	Total Interest Expense	16,818,968	4,779,194	21,598,162	14,833,100	2,078,407	16,911,507
14	Net Interest Income	16,390,408	(3,185,765)	13,204,643	10,113,887	(1,067,132)	9,046,755
	Non-Interest Income						
15	Net Fee and Commission Income	4,253,831	989,233	5,243,064	8,010,767	1,134,427	9,145,194
15.1	Fee and Commission Income	4,854,941	1,430,733	6,285,674	8,533,330	1,542,500	10,075,830
15.2	Fee and Commission Expense	601,110	441,500	1,042,610	522,563	408,073	930,636
16	Dividend Income	0	0	0			0
17	Gain (Loss) from Dealing Securities	0	0	0	4,883		4,883
18	Gain (Loss) from Investment Securities	0	0	0			0
19	Gain (Loss) from Foreign Exchange Trading	1,435,414		1,435,414	1,189,687		1,189,687
20	Gain (Loss) from Foreign Exchange Translation	(11,351)		(11,351)	(3,136)		(3,136)
21	Gain (Loss) on Sales of Fixed Assets	34,833	0	34,833	5,799		5,799
22	Non-Interest Income from other Banking Operations	7,250	1,978	9,228	8,554	43,997	52,551
23	Other Non-Interest Income	260,266	0	260,266	238,031		238,031
24	Total Non-Interest Income	5,980,243	991,211	6,971,454	9,454,585	1,178,424	10,633,009
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	13,615	0	13,615	12,872	5,815	18,687
26	Bank Development, Consultation and Marketing Expenses	1,067,766	53,662	1,121,428	899,620	29,399	929,019
27	Personnel Expenses	9,019,031		9,019,031	10,017,388		10,017,388
28	Operating Costs of Fixed Assets	64,405		64,405	56,556		56,556
29	Depreciation Expense	2,806,677		2,806,677	2,214,507		2,214,507
30	Other Non-Interest Expenses	3,926,022	20,292	3,946,314	3,618,433	12,119	3,630,552
31	Total Non-Interest Expenses	16,897,516	73,954	16,971,470	16,819,376	47,333	16,866,709
32	Net Non-Interest Income	(10,917,273)	917,257	(10,000,016)	(7,364,791)	1,131,091	(6,233,700)
33	Net Income before Provisions	5,473,135	(2,268,508)	3,204,627	2,749,096	63,959	2,813,055
34	Loan Loss Reserve	2,818,526	X	2,818,526	1,707,735	X	1,707,735
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	67,156	X	67,156	(115,893)	X	(115,893)
37	Total Provisions for Possible Losses	2,885,682	0	2,885,682	1,591,842	0	1,591,842
38	Net Income before Taxes and Extraordinary Items	2,587,453	(2,268,508)	318,945	1,157,254	63,959	1,221,213
39	Taxation			0			0
40	Net Income after Taxation	2,587,453	(2,268,508)	318,945	1,157,254	63,959	1,221,213
41	Extraordinary Items			0			0
42	Net Income	2,587,453	(2,268,508)	318,945	1,157,254	63,959	1,221,213

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 31-Mar-13

sheet N3

Off Balance Sheet Items

in lari

N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Conditional Obligations	1,294,782,182	207,180,287	1,501,962,469	831,730,548	197,871,573	1,029,602,121
1.1	Acceptances and Endorsements			0			0
1.2	Guarantees Given	8,835,087	187,283	9,022,370	20,463,198	4,817,150	25,280,348
1.3	Guarantees Received	565,785	902,913	1,468,698	1,204,957	3,101	1,208,058
1.4	Pledged Assets Given		26,712,977	26,712,977		10,521,122	10,521,122
1.5	Pledged Assets Received	1,285,381,310	179,377,114	1,464,758,424	807,402,393	182,530,200	989,932,593
1.6	Other Contingent Liabilities			0	2,660,000		2,660,000
2	Legally Binding Obligations	25,602,690	4,923,818	30,526,508	10,652,641	10,366,188	21,018,829
2.1	Funding Commitments of the Bank	22,234,090	871,968	23,106,058	3,829,741	3,466,009	7,295,750
2.2	Funding Commitments of other Parties			0			0
2.3	Commitments to Purchase Investment Securities			0			0
2.4	Commitments to Sell Investment Securities			0			0
2.5	Foreign Exchange Operations		3,683,866	3,683,866		6,769,997	6,769,997
2.6	Forward Foreign Exchange Contracts	3,368,600	367,984	3,736,584	6,822,900	130,182	6,953,082
2.7	Other Commitments			0			0
3	Other Liabilities	8,835,087	187,283	9,022,370	23,123,198	4,817,150	27,940,348
3.1	Obligation Of the Issuer (endorser) to the Bank			0			0
3.2	Clients' Liabilities	8,835,087	187,283	9,022,370	20,463,198	4,817,150	25,280,348
3.3	Third Parties' Clients' Liability to the Bank			0	2,660,000		2,660,000
4	Items to be Held in Safekeeping	9,233,691	0	9,233,691	10,042,369	0	10,042,369
4.1	Precious Metals			0			0
4.2	Securities			0			0
4.3	Other Items	9,233,691		9,233,691	10,042,369		10,042,369
5	Interest Rate Contracts	0	0	0	0	0	0
5.1	Notional Value of Interest Rate Swaps			0			0
5.2	Forward Contracts on Financial Instruments			0			0
5.3	Futures Contracts on Financial Instruments			0			0
5.4	Options			0			0
6	Contracts on Commodities and Shareholders Capital	0	0	0	0	0	0
6.1	Notional Value of Swaps			0			0
6.2	Forward Contracts			0			0
6.3	Futures Contracts			0			0
6.4	Options			0			0
7	Unsettled Documents	495,894,606	0	495,894,606	424,560,199	0	424,560,199
7.1	Accounting Documents not Paid in due Time by Reason of Client	495,894,606		495,894,606	424,560,199		424,560,199
7.2	Accounting Documents not Paid in due Time by Reason of Bank			0			0
7.3	Unissued Capital			0			0
8	Written Off Loans	65,500,539	26,789,209	92,289,748	75,733,356	39,799,471	115,532,827
8.1	Unpaid Interest on Loans up to 31.12.2000	2,179,002		2,179,002	2,179,002		2,179,002
8.2	Unpaid Interest on Loans from to 01.01.2001	10,649,982	2,480,876	13,130,858	28,864,660	24,742,872	53,607,532
8.3	Problem Loans Written off up to 31.12.2000	3,219,201		3,219,201	3,219,201		3,219,201
8.4	Problem Loans Written off up to 01.01.2001	27,147,061	23,973,075	51,120,136	19,743,011	14,749,963	34,492,974
8.5	Other Written Off Assets	22,305,293	335,258	22,640,551	21,727,481	306,636	22,034,117
9	Other Valuables and Documents	2,045,470	0	2,045,470	2,052,539	0	2,052,539
9.1	Undistributed value parcels			0			0
9.2	Small value inventory	1,987,871		1,987,871	1,985,733		1,985,733
9.3	Strict reporting forms	57,599		57,599	66,806		66,806
9.4	Payment of Special Lottery			0			0
10	Total	1,901,894,265	239,080,597	2,140,974,862	1,377,894,850	252,854,382	1,630,749,232

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 31-Mar-13

sheet N4

		Reporting Period	Respective period of the previous year
	CAPITAL		
1	Tier 1 Capital Ratio \geq 8%	11.68%	9.79%
2	Regulatory Capital Ratio \geq 12%	12.78%	11.03%
3	Risk Weighted Assets/Total Assets	63.22%	68.43%
4	Cash Dividend/Net Income	0.00%	0.00%
	Income		
5	Total Interest Income /Average Annual Assets	14.33%	12.50%
6	Total Interest Expense / Average Annual Assets	8.89%	8.14%
7	Earnings from Operations / Average Annual Assets	1.31%	1.35%
8	Net Interest Margin	5.44%	4.36%
9	Return on Average Assets (ROA)	0.13%	0.59%
10	Return on Average Equity (ROE)	1.12%	5.74%
	ASSET QUALITY		
11	Non Performed Loans / Total Loans	4.85%	8.75%
12	LLR/Total Loans	5.74%	8.87%
13	FX Loans/Total Loans	6.32%	10.66%
14	FX Assets/Total Assets	23.61%	13.97%
15	Loan Growth-YTD	6.29%	4.42%
	LIQUIDITY		
16	Liquid Assets/Total Assets	42.27%	37.89%
17	FX Liabilities/Total Liabilities	26.60%	16.72%
18	Current & Demand Deposits/Total Assets	52.23%	66.81%

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 31-Mar-13

**Information about Supervisory Council, Directorate and
Shareholders**

sheet N5

Members of Supervisory Council		
1	Vladimer Gurgenidze	
2	Jaap Rotgans	
3	Melanie Chen	
Members of Board of Directors		
1	Vladimer Gurgenidze	
2	George Arveladze	
3	Zurab Tsulaia	
4	Aleksander Liparteliani	
5	Armen Matevosyan	
6	Sandro Rtveladze	
List of Shareholders owning 1% and more of issued capital, indicating Shares *		
1	„Liberty Holding Georgia "LLC	74.76%
2	BNY Limited (Nominees)	11.26%
3	„Liberty Capital " JSC	8.31%
4	Other (2277)	5.67%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares*		
1	Dan Costache Patriciu	72.52%
2	BNY Limited (Nominees)	11.26%
3	Vladimer Gurgenidze	7.59%

* Shares comprises of common and preferred shares

Director

Chief Accountant