

Bank: JSC "Liberty Bank"

Date: 30-Sep-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	72,743,898	25,915,633	98,659,531	65,140,223	28,591,926	93,732,149
2	Due from NBG	156,914,996	134,300,095	291,215,091	71,403,783	19,232,504	90,636,287
3	Due from Banks	0	30,057,697	30,057,697	0	23,397,341	23,397,341
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	176,363,626	0	176,363,626	103,108,817	0	103,108,817
6.1	Loans	514,590,745	46,721,244	561,311,989	415,625,961	39,697,778	455,323,739
6.2	Less: Loan Loss Reserves	(28,607,185)	(1,624,575)	(30,231,760)	(27,246,463)	(8,270,915)	(35,517,378)
6	Net Loans	485,983,560	45,096,670	531,080,230	388,379,498	31,426,863	419,806,361
7	Accrued Interest and Dividends Receivable	5,898,326	599,307	6,497,633	7,696,476	517,368	8,213,844
8	Other Real Estate Owned & Repossessed Assets	825,388	X	825,388	781,086	X	781,086
9	Equity Investments	2,042,724	0	2,042,724	1,974,689	0	1,974,689
10	Fixed Assets and Intangible Assets	138,336,837	X	138,336,837	132,022,076	X	132,022,076
11	Other Assets	16,006,810	6,848,339	22,855,149	35,580,753	12,724,070	48,304,823
12	TOTAL ASSETS	1,055,116,165	242,817,741	1,297,933,906	806,087,401	115,890,072	921,977,473
	LIABILITIES						
13	Due to Banks	532,797	997,166	1,529,963	24,593,228	341,263	24,934,491
14	Current (Accounts) Deposits	699,193,897	28,249,371	727,443,268	441,638,443	19,050,782	460,689,225
15	Demand Deposits	21,133,144	8,280,537	29,413,681	11,805,772	325,595	12,131,367
16	Time Deposits	173,098,553	189,614,331	362,712,884	53,994,806	100,191,001	154,185,807
17	Own Debt Securities	5,590,185	933,343	6,523,528	18,614,733	0	18,614,733
18	Borrowings	0	0	0	97,000,000	0	97,000,000
19	Accrued Interest and Dividends Payable	8,962,818	9,555,705	18,518,523	5,206,842	3,272,235	8,479,077
20	Other Liabilities	16,410,468	2,752,832	19,163,300	49,705,411	4,415,847	54,121,258
21	Subordinated Debentures	0	0	0	0	0	0
22	Total Liabilities	924,921,862	240,383,285	1,165,305,147	702,559,235	127,596,723	830,155,958
	EQUITY CAPITAL						
23	Common Stock	53,284,246	X	53,284,246	42,707,693	X	42,707,693
24	Preferred Stock	42,181	X	42,181	0	X	0
25	Less: Repurchased Shares	0	X	0	0	X	0
26	Share Premium	46,309,343	X	46,309,343	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	(1,741,219)	X	(1,741,219)	(9,040,186)	X	(9,040,186)
29	Asset Revaluation Reserves	33,040,180	X	33,040,180	22,364,700	X	22,364,700
30	Total Equity Capital	132,628,759	X	132,628,759	91,821,515	X	91,821,515
31	TOTAL LIABILITIES AND EQUITY CAPITAL	1,057,550,621	240,383,285	1,297,933,906	794,380,750	127,596,723	921,977,473

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 30-Sep-13

sheet N2

Income Statement

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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	2,226,422	412,389	2,638,811	2,034,157	269,465	2,303,622
2	Interest Income from Loans	103,094,662	7,704,873	110,799,535	76,384,600	3,420,198	79,804,798
2.1	from the Interbank Loans			0			0
2.2	from the Retail or Service Sector Loans	349,405	1,267,183	1,616,588	1,346,725	326,221	1,672,946
2.3	from the Energy Sector Loans	111		111	11,796		11,796
2.4	from the Agriculture and Forestry Sector Loans	124,665	4,355	129,020	166,586	26,619	193,205
2.5	from the Construction Sector Loans	59,582		59,582	167,377		167,377
2.6	from the Mining and Mineral Processing Sector Loans	72,477		72,477	4,388		4,388
2.7	from the Transportation or Communications Sector Loans			0	78,977		78,977
2.8	from Individuals Loans	101,626,520	3,166,725	104,793,245	72,062,430	2,090,978	74,153,408
2.9	from Other Sectors Loans	861,902	3,266,610	4,128,512	2,546,321	976,380	3,522,701
3	Interest Income From Fines on Customer Loans	2,848,102	2,160,557	5,008,659	1,395,208	116,858	1,512,066
4	Interest and Discount Income from Securities	6,007,597	0	6,007,597	9,223,582	126,094	9,349,676
5	Other Interest Income	379,158	7,764	386,922	949,228	114,831	1,064,059
6	Total Interest Income	114,555,941	10,285,583	124,841,524	89,986,775	4,047,446	94,034,221
	Interest Expense						
7	Interest Paid on Demand Deposits	41,423,302	729,895	42,153,197	37,874,906	507,895	38,382,801
8	Interest Paid on Time Deposits	13,591,902	13,864,231	27,456,133	5,292,126	5,995,258	11,287,384
9	Interest Paid on Banks Deposits	1,268,211	1,009	1,269,220	421,028	631	421,659
10	Interest Paid on Own Debt Securities	196,303	2,208	198,511	2,169,118	0	2,169,118
11	Interest Paid on Other Borrowings	170,959	0	170,959	629,978	1,751	631,729
12	Other Interest Expenses	8,575	672	9,247	79,319	693	80,012
13	Total Interest Expense	56,659,252	14,598,015	71,257,267	46,466,475	6,506,228	52,972,703
14	Net Interest Income	57,896,689	(4,312,432)	53,584,257	43,520,300	(2,458,782)	41,061,518
	Non-Interest Income						
15	Net Fee and Commission Income	16,357,623	3,252,888	19,610,511	21,530,924	3,837,960	25,368,884
15.1	Fee and Commission Income	18,146,543	4,719,770	22,866,313	23,232,653	5,237,458	28,470,111
15.2	Fee and Commission Expense	1,788,920	1,466,882	3,255,802	1,701,729	1,399,498	3,101,227
16	Dividend Income	0	0	0	0	0	0
17	Gain (Loss) from Dealing Securities	0	0	0	4,883	0	4,883
18	Gain (Loss) from Investment Securities	117	0	117	0	285,674	285,674
19	Gain (Loss) from Foreign Exchange Trading	5,050,876		5,050,876	4,461,712		4,461,712
20	Gain (Loss) from Foreign Exchange Translation	(80,737)		(80,737)	(78,320)		(78,320)
21	Gain (Loss) on Sales of Fixed Assets	626,024	0	626,024	7,028	0	7,028
22	Non-Interest Income from other Banking Operations	25,940	11,378	37,318	29,875	117,700	147,575
23	Other Non-Interest Income	767,722	0	767,722	649,641	242	649,883
24	Total Non-Interest Income	22,747,565	3,264,266	26,011,831	26,605,743	4,241,576	30,847,319
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	39,618	5,207	44,825	35,333	70,002	105,335
26	Bank Development, Consultation and Marketing Expenses	3,336,950	82,699	3,419,649	3,252,453	113,310	3,365,763
27	Personnel Expenses	28,707,713		28,707,713	28,833,039		28,833,039
28	Operating Costs of Fixed Assets	255,271		255,271	175,083		175,083
29	Depreciation Expense	8,522,462		8,522,462	6,876,969		6,876,969
30	Other Non-Interest Expenses	11,669,800	54,692	11,724,492	11,203,884	66,534	11,270,418
31	Total Non-Interest Expenses	52,531,814	142,598	52,674,412	50,376,761	249,846	50,626,607
32	Net Non-Interest Income	(29,784,249)	3,121,668	(26,662,581)	(23,771,018)	3,991,730	(19,779,288)
33	Net Income before Provisions	28,112,440	(1,190,764)	26,921,676	19,749,282	1,532,948	21,282,230
34	Loan Loss Reserve	7,398,697	X	7,398,697	8,167,891	X	8,167,891
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	825,862	X	825,862	658,994	X	658,994
37	Total Provisions for Possible Losses	8,224,559	0	8,224,559	8,826,885	0	8,826,885
38	Net Income before Taxes and Extraordinary Items	19,887,881	(1,190,764)	18,697,117	10,922,397	1,532,948	12,455,345
39	Taxation			0	4,553,900		4,553,900
40	Net Income after Taxation	19,887,881	(1,190,764)	18,697,117	6,368,497	1,532,948	7,901,445
41	Extraordinary Items			0			0
42	Net Income	19,887,881	(1,190,764)	18,697,117	6,368,497	1,532,948	7,901,445

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 30-Sep-13

sheet N3

in lari

Off Balance Sheet Items

N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Conditional Obligations	1,502,828,500	242,874,066	1,745,702,566	1,312,561,727	217,862,610	1,530,424,337
1.1	Acceptances and Endorsements			0			0
1.2	Guarantees Given	12,666,898	45,142	12,712,040	38,250,590	3,995,860	42,246,450
1.3	Guarantees Received	609,585	1,074,208	1,683,793	733,636	912,093	1,645,729
1.4	Pledged Assets Given		47,655,681	47,655,681		20,597,628	20,597,628
1.5	Pledged Assets Received	1,489,552,017	194,099,035	1,683,651,052	1,270,248,770	192,357,029	1,462,605,799
1.6	Other Contingent Liabilities			0	3,328,731		3,328,731
2	Legally Binding Obligations	41,559,741	1,477,261	43,037,002	36,127,537	11,466,959	47,594,496
2.1	Funding Commitments of the Bank	41,559,741	809,545	42,369,286	29,353,637	4,239,659	33,593,296
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		333,239	333,239		6,932,115	6,932,115
2.6	Forward Foreign Exchange Contracts		334,477	334,477	6,773,900	295,185	7,069,085
2.7	Other Commitments			0			0
3	Other Liabilities	12,666,898	45,142	12,712,040	41,579,321	3,995,860	45,575,181
3.1	Obligation Of the Issuer (endorser) to the Bank			0			0
3.2	Clients' Liabilities	12,666,898	45,142	12,712,040	38,250,590	3,995,860	42,246,450
3.3	Third Parties' Clients' Liability to the Bank			0	3,328,731		3,328,731
4	Items to be Held in Safekeeping	8,715,078	0	8,715,078	9,224,123	0	9,224,123
4.1	Precious Metals			0			0
4.2	Securities			0			0
4.3	Other Items	8,715,078		8,715,078	9,224,123		9,224,123
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	510,373,631	0	510,373,631	426,559,551	0	426,559,551
7.1	Accounting Documents not Paid in due Time by Reason of C	510,373,631		510,373,631	426,559,551	0	426,559,551
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	71,207,915	26,455,235	97,663,150	82,136,147	43,075,967	125,212,114
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	16,626,379	2,947,325	19,573,704	35,232,497	25,891,669	61,124,166
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	26,878,040	23,170,211	50,048,251	19,740,816	16,878,252	36,619,068
8.5	Other Written Off Assets	22,305,293	337,699	22,642,992	21,764,631	306,046	22,070,677
9	Other Valuables and Documents	2,044,592	0	2,044,592	2,060,667	0	2,060,667
9.1	Undistributed value parcels			0			0
9.2	Small value inventory	1,986,835		1,986,835	1,986,919		1,986,919
9.3	Strict reporting forms	57,757		57,757	73,748		73,748
9.4	Payment of Special Lottery			0			0
10	Total	2,149,396,355	270,851,704	2,420,248,059	1,910,249,073	276,401,396	2,186,650,469

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 30-Sep-13

sheet N4

		Reporting Period	Respective period of the previous year
	CAPITAL		
1	Tier 1 Capital Ratio \geq 8%	9.36%	7.88%
2	Regulatory Capital Ratio \geq 12%	12.87%	10.09%
3	Risk Weighted Assets/Total Assets	59.70%	75.21%
4	Cash Dividend/Net Income	0.00%	0.00%
	Income		
5	Total Interest Income /Average Annual Assets	15.14%	14.61%
6	Total Interest Expense / Average Annual Assets	8.64%	8.23%
7	Earnings from Operations / Average Annual Assets	3.20%	3.27%
8	Net Interest Margin	6.50%	6.38%
9	Return on Average Assets (ROA)	2.27%	1.23%
10	Return on Average Equity (ROE)	20.84%	11.85%
	ASSET QUALITY		
11	Non Performed Loans / Total Loans	4.45%	6.86%
12	LLR/Total Loans	5.39%	7.80%
13	FX Loans/Total Loans	8.32%	8.72%
14	FX Assets/Total Assets	18.71%	12.57%
15	Loan Growth-YTD	39.45%	27.02%
	LIQUIDITY		
16	Liquid Assets/Total Assets	45.75%	22.13%
17	FX Liabilities/Total Liabilities	20.63%	15.37%
18	Current & Demand Deposits/Total Assets	58.31%	51.28%

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 30-Sep-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	George Arveladze	
2	Zurab Tsulaia	
3	Aleksander Liparteliani	
4	Armen Matevosyan	
5	Sandro Rtveladze	
List of Shareholders owning 1% and more of issued capital, indicating Shares *		
1	„Liberty Holding Georgia "LLC	73.10%
2	BNY Limited (Nominees)	11.26%
3	„Liberty Capital " JSC	8.31%
4	Other (2276)	7.33%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares*		
1	Dan Costache Patriciu	73.10%
2	BNY Limited (Nominees)	11.26%
3	Vladimer Gurgenidze	8.01%

* Shares comprises of common and preferred shares

Director

Chief Accountant