

Bank: JSC "Liberty Bank"

Date: 31-Mar-14

sheet N1

Balance Sheet

in lari

N	ASSETS	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	80,017,147	30,784,926	110,802,073	67,469,289	24,107,773	91,577,062
2	Due from NBG	92,557,548	154,662,913	247,220,461	79,489,966	128,032,469	207,522,435
3	Due from Banks	500,000	31,015,716	31,515,716	0	48,866,552	48,866,552
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	154,604,124	0	154,604,124	73,571,764	0	73,571,764
6.1	Loans	659,200,195	58,859,659	718,059,854	400,818,793	27,032,506	427,851,299
6.2	Less: Loan Loss Reserves	(35,443,823)	(1,818,210)	(37,262,032)	(23,343,664)	(1,216,154)	(24,559,818)
6	Net Loans	623,756,372	57,041,450	680,797,822	377,475,129	25,816,352	403,291,481
7	Accrued Interest and Dividends Receivable	7,381,814	563,817	7,945,631	6,845,177	653,835	7,499,012
8	Other Real Estate Owned & Repossessed Assets	100,214	X	100,214	781,086	X	781,086
9	Equity Investments	1,634,275	0	1,634,275	1,974,689	0	1,974,689
10	Fixed Assets and Intangible Assets	142,115,811	X	142,115,811	135,602,416	X	135,602,416
11	Other Assets	16,947,488	6,723,716	23,671,204	14,030,570	6,574,955	20,605,525
12	TOTAL ASSETS	1,119,614,793	280,792,538	1,400,407,331	757,240,086	234,051,936	991,292,022
	LIABILITIES						
13	Due to Banks	4,053,961	4,251,718	8,305,679	23,317,457	1,229,082	24,546,539
14	Current (Accounts) Deposits	649,328,185	53,209,312	702,537,497	482,776,716	22,884,412	505,661,128
15	Demand Deposits	44,180,717	23,587,442	67,768,159	11,903,799	189,216	12,093,015
16	Time Deposits	238,674,102	191,569,198	430,243,300	108,730,073	199,015,035	307,745,108
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	0	0	0	0	0	0
19	Accrued Interest and Dividends Payable	7,869,893	6,116,701	13,986,594	4,875,445	6,374,786	11,250,231
20	Other Liabilities	18,401,977	2,285,101	20,687,079	11,214,192	3,304,140	14,518,332
21	Subordinated Debentures	0	0	0	0	0	0
22	Total Liabilities	962,508,835	281,019,472	1,243,528,308	642,817,682	232,996,671	875,814,353
	EQUITY CAPITAL						
23	Common Stock	53,292,980	X	53,292,980	53,284,246	X	53,284,246
24	Preferred Stock	51,791	X	51,791	42,130	X	42,130
25	Less: Repurchased Shares	0	X	0	0	X	0
26	Share Premium	47,260,733	X	47,260,733	46,304,359	X	46,304,359
27	General Reserves	1,694,028	X	1,694,028	1,694,028	X	1,694,028
28	Retained Earnings	21,539,311	X	21,539,311	(19,885,618)	X	(19,885,618)
29	Asset Revaluation Reserves	33,040,180	X	33,040,180	34,038,524	X	34,038,524
30	Total Equity Capital	156,879,023	X	156,879,023	115,477,669	X	115,477,669
31	TOTAL LIABILITIES AND EQUITY CAPITAL	1,119,387,858	281,019,472	1,400,407,331	758,295,351	232,996,671	991,292,022

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 31-Mar-14

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	757,604	3,759	761,363	853,605	297,117	1,150,722
2	Interest Income from Loans	39,379,594	2,247,149	41,626,743	30,019,077	1,237,680	31,256,757
2.1	from the Interbank Loans	7,044		7,044			0
2.2	from the Retail or Service Sector Loans	85,302	894,563	979,865	182,889	121,702	304,591
2.3	from the Energy Sector Loans			0	111		111
2.4	from the Agriculture and Forestry Sector Loans	95,450		95,450	49,691	3,372	53,063
2.5	from the Construction Sector Loans	2,527		2,527	31,270		31,270
2.6	from the Mining and Mineral Processing Sector Loans	18,925		18,925			0
2.7	from the Transportation or Communications Sector Loans			0			0
2.8	from Individuals Loans	38,688,330	1,007,024	39,695,354	29,264,593	1,009,464	30,274,057
2.9	from Other Sectors Loans	482,016	345,562	827,578	490,523	103,142	593,665
3	Interest Income From Fines on Customer Loans	1,460,471	70,946	1,531,417	784,746	55,045	839,791
4	Interest and Discount Income from Securities	2,288,424	0	2,288,424	1,441,299	0	1,441,299
5	Other Interest Income	108,888	2,843	111,731	110,649	3,587	114,236
6	Total Interest Income	43,994,981	2,324,697	46,319,678	33,209,376	1,593,429	34,802,805
	Interest Expense						
7	Interest Paid on Demand Deposits	14,515,200	700,642	15,215,842	12,366,336	193,240	12,559,576
8	Interest Paid on Time Deposits	7,233,117	3,364,377	10,597,494	3,297,957	4,585,443	7,883,400
9	Interest Paid on Banks Deposits	4,086	665	4,751	932,612	301	932,913
10	Interest Paid on Own Debt Securities	82,513	0	82,513	42,529	0	42,529
11	Interest Paid on Other Borrowings	0	0	0	170,959	0	170,959
12	Other Interest Expenses	0	179	179	8,575	210	8,785
13	Total Interest Expense	21,834,916	4,065,863	25,900,779	16,818,968	4,779,194	21,598,162
14	Net Interest Income	22,160,065	(1,741,166)	20,418,899	16,390,408	(3,185,765)	13,204,643
	Non-Interest Income						
15	Net Fee and Commission Income	8,325,555	710,132	9,035,687	4,253,831	989,233	5,243,064
15.1	Fee and Commission Income	9,014,086	1,313,458	10,327,544	4,854,941	1,430,733	6,285,674
15.2	Fee and Commission Expense	688,531	603,326	1,291,857	601,110	441,500	1,042,610
16	Dividend Income	0	0	0	0	0	0
17	Gain (Loss) from Dealing Securities	0	0	0	0	0	0
18	Gain (Loss) from Investment Securities	43	128	171	0	0	0
19	Gain (Loss) from Foreign Exchange Trading	1,600,242		1,600,242	1,435,414		1,435,414
20	Gain (Loss) from Foreign Exchange Translation	(284,437)		(284,437)	(11,351)		(11,351)
21	Gain (Loss) on Sales of Fixed Assets	2,400	0	2,400	34,833	0	34,833
22	Non-Interest Income from other Banking Operations	8,310	4,531	12,841	7,250	1,978	9,228
23	Other Non-Interest Income	236,272	0	236,272	260,266	0	260,266
24	Total Non-Interest Income	9,888,385	714,791	10,603,176	5,980,243	991,211	6,971,454
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	9,078	292	9,370	13,615	0	13,615
26	Bank Development, Consultation and Marketing Expenses	1,015,311	88,915	1,104,226	1,067,766	53,662	1,121,428
27	Personnel Expenses	11,847,105		11,847,105	9,019,031		9,019,031
28	Operating Costs of Fixed Assets	137,247		137,247	64,405		64,405
29	Depreciation Expense	3,242,078		3,242,078	2,806,677		2,806,677
30	Other Non-Interest Expenses	5,405,287	18,247	5,423,534	3,926,022	20,292	3,946,314
31	Total Non-Interest Expenses	21,656,106	107,454	21,763,560	16,897,516	73,954	16,971,470
32	Net Non-Interest Income	(11,767,721)	607,337	(11,160,384)	(10,917,273)	917,257	(10,000,016)
33	Net Income before Provisions	10,392,344	(1,133,829)	9,258,515	5,473,135	(2,268,508)	3,204,627
34	Loan Loss Reserve	4,601,330	X	4,601,330	2,818,526	X	2,818,526
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	205,291	X	205,291	67,156	X	67,156
37	Total Provisions for Possible Losses	4,806,621	0	4,806,621	2,885,682	0	2,885,682
38	Net Income before Taxes and Extraordinary Items	5,585,723	(1,133,829)	4,451,894	2,587,453	(2,268,508)	318,945
39	Taxation			0			0
40	Net Income after Taxation	5,585,723	(1,133,829)	4,451,894	2,587,453	(2,268,508)	318,945
41	Extraordinary Items			0			0
42	Net Income	5,585,723	(1,133,829)	4,451,894	2,587,453	(2,268,508)	318,945

Director

Chief Accountant

Bank: JSC "Liberty Bank"

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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	1,698,511,055	262,668,858	1,961,179,913	1,294,782,182	207,180,287	1,501,962,469
1.1	Acceptances and Endorsements			0			0
1.2	Guarantees Given	10,028,473	195,468	10,223,941	8,835,087	187,283	9,022,370
1.3	Guarantees Received	365,000	1,080,045	1,445,045	565,785	902,913	1,468,698
1.4	Pledged Assets Given		66,165,135	66,165,135		26,712,977	26,712,977
1.5	Pledged Assets Received	1,688,117,582	195,228,210	1,883,345,792	1,285,381,310	179,377,114	1,464,758,424
1.6	Other Contingent Liabilities			0			0
2	Legally Binding Obligations	54,657,175	2,202,657	56,859,832	25,602,690	4,923,818	30,526,508
2.1	Funding Commitments of the Bank	54,657,175	804,194	55,461,369	22,234,090	871,968	23,106,058
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		699,080	699,080		3,683,866	3,683,866
2.6	Forward Foreign Exchange Contracts		699,383	699,383	3,368,600	367,984	3,736,584
2.7	Other Commitments			0			0
3	Other Liabilities	10,028,473	195,468	10,223,941	8,835,087	187,283	9,022,370
3.1	Obligation Of the Issuer (endorser) to the Bank			0			0
3.2	Clients' Liabilities	10,028,473	195,468	10,223,941	8,835,087	187,283	9,022,370
3.3	Third Parties' Clients' Liability to the Bank			0			0
4	Items to be Held in Safekeeping	8,808,485	0	8,808,485	9,233,691	0	9,233,691
4.1	Precious Metals			0			0
4.2	Securities			0			0
4.3	Other Items	8,808,485		8,808,485	9,233,691		9,233,691
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	585,526,193	0	585,526,193	495,894,606	0	495,894,606
7.1	Accounting Documents not Paid in due Time by Reason of C	585,526,193		585,526,193	495,894,606		495,894,606
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	75,602,070	24,464,874	100,066,944	65,500,539	26,789,209	92,289,748
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	20,808,831	3,242,726	24,051,557	10,649,982	2,480,876	13,130,858
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	26,665,822	20,816,690	47,482,512	27,147,061	23,973,075	51,120,136
8.5	Other Written Off Assets	22,729,214	405,458	23,134,672	22,305,293	335,258	22,640,551
9	Other Valuables and Documents	2,046,130	0	2,046,130	2,045,470	0	2,045,470
9.1	Undistributed value parcels			0			0
9.2	Small value inventory	1,987,210		1,987,210	1,987,871		1,987,871
9.3	Strict reporting forms	58,920		58,920	57,599		57,599
9.4	Payment of Special Lottery			0			0
10	Total	2,435,179,581	289,531,857	2,724,711,438	1,901,894,265	239,080,597	2,140,974,862

Director

Chief Accountant

Bank: JSC "Liberty Bank"

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sheet N4

		Reporting Period	Respective period of the previous year
	CAPITAL		
1	Tier 1 Capital Ratio \geq 8%	11.53%	11.68%
2	Regulatory Capital Ratio \geq 12%	13.13%	12.78%
3	Risk Weighted Assets/Total Assets	68.26%	63.22%
4	Cash Dividend/Net Income	0.00%	0.00%
	Income		
5	Total Interest Income /Average Annual Assets	13.49%	14.33%
6	Total Interest Expense / Average Annual Assets	7.54%	8.89%
7	Earnings from Operations / Average Annual Assets	2.78%	1.31%
8	Net Interest Margin	5.95%	5.44%
9	Return on Average Assets (ROA)	1.30%	0.13%
10	Return on Average Equity (ROE)	11.50%	1.12%
	ASSET QUALITY		
11	Non Performed Loans / Total Loans	4.24%	4.85%
12	LLR/Total Loans	5.19%	5.74%
13	FX Loans/Total Loans	8.20%	6.32%
14	FX Assets/Total Assets	20.05%	23.61%
15	Loan Growth-YTD	10.03%	6.29%
	LIQUIDITY		
16	Liquid Assets/Total Assets	38.34%	42.27%
17	FX Liabilities/Total Liabilities	22.60%	26.60%
18	Current & Demand Deposits/Total Assets	55.01%	52.23%

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 31-Mar-14

**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	73.07%
2	BNY Limited (Nominees)	11.26%
3	„Liberty Capital " JSC	7.60%
4	Other (2722)	8.07%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares*		
1	Dan Costache Patriciu	73.07%
2	BNY Limited (Nominees)	11.26%
3	Vladimer Gurgenidze	7.33%

* Shares comprises of common and preferred shares

Director

Chief Accountant