

Bank: JSC "Liberty Bank"

Date: 30-Sep-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	86,604,787	32,455,106	119,059,893	72,743,898	25,915,633	98,659,531
2	Due from NBG	122,012,608	183,780,590	305,793,198	156,914,996	134,300,095	291,215,091
3	Due from Banks	656,287	55,905,006	56,561,293	0	30,057,697	30,057,697
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	187,059,443	0	187,059,443	176,363,626	0	176,363,626
6.1	Loans	727,964,217	32,729,341	760,693,558	514,590,745	46,721,244	561,311,989
6.2	Less: Loan Loss Reserves	(43,005,356)	(1,569,122)	(44,574,478)	(28,607,185)	(1,624,575)	(30,231,760)
6	Net Loans	684,958,861	31,160,219	716,119,080	485,983,560	45,096,670	531,080,230
7	Accrued Interest and Dividends Receivable	8,822,213	611,024	9,433,237	5,898,326	599,307	6,497,633
8	Other Real Estate Owned & Repossessed Assets	336,298	X	336,298	825,388	X	825,388
9	Equity Investments	1,634,275	0	1,634,275	2,042,724	0	2,042,724
10	Fixed Assets and Intangible Assets	147,559,835	X	147,559,835	138,336,837	X	138,336,837
11	Other Assets	22,458,774	5,747,416	28,206,190	16,006,810	6,848,339	22,855,149
12	TOTAL ASSETS	1,262,103,381	309,659,361	1,571,762,742	1,055,116,165	242,817,741	1,297,933,906
	LIABILITIES						
13	Due to Banks	4,143,171	2,342,149	6,485,320	532,797	997,166	1,529,963
14	Current (Accounts) Deposits	702,511,659	55,141,938	757,653,597	699,193,897	28,249,371	727,443,268
15	Demand Deposits	57,666,715	34,829,592	92,496,307	21,133,144	8,280,537	29,413,681
16	Time Deposits	302,267,734	208,702,383	510,970,117	173,098,553	189,614,331	362,712,884
17	Own Debt Securities	0	0	0	5,590,185	933,343	6,523,528
18	Borrowings	0	0	0	0	0	0
19	Accrued Interest and Dividends Payable	7,007,889	6,434,021	13,441,910	8,962,818	9,555,705	18,518,523
20	Other Liabilities	19,230,466	2,505,069	21,735,535	16,410,468	2,752,832	19,163,300
21	Subordinated Debentures	0	0	0	0	0	0
22	Total Liabilities	1,092,827,634	309,955,152	1,402,782,786	924,921,862	240,383,285	1,165,305,147
	EQUITY CAPITAL						
23	Common Stock	53,382,980	X	53,382,980	53,284,246	X	53,284,246
24	Preferred Stock	51,791	X	51,791	42,181	X	42,181
25	Less: Repurchased Shares	0	X	0	0	X	0
26	Share Premium	47,260,733	X	47,260,733	46,309,343	X	46,309,343
27	General Reserves	1,694,028	X	1,694,028	1,694,028	X	1,694,028
28	Retained Earnings	33,624,914	X	33,624,914	(1,741,219)	X	(1,741,219)
29	Asset Revaluation Reserves	32,965,510	X	32,965,510	33,040,180	X	33,040,180
30	Total Equity Capital	168,979,956	X	168,979,956	132,628,759	X	132,628,759
31	TOTAL LIABILITIES AND EQUITY CAPITAL	1,261,807,590	309,955,152	1,571,762,742	1,057,550,621	240,383,285	1,297,933,906

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 30-Sep-14

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	1,833,213	19,258	1,852,471	2,226,422	412,389	2,638,811
2	Interest Income from Loans	129,188,552	5,707,808	134,896,360	103,094,662	7,704,873	110,799,535
2.1	from the Interbank Loans	17,839		17,839			0
2.2	from the Retail or Service Sector Loans	956,684	1,667,507	2,624,191	349,405	1,267,183	1,616,588
2.3	from the Energy Sector Loans			0	111		111
2.4	from the Agriculture and Forestry Sector Loans	281,249		281,249	124,665	4,355	129,020
2.5	from the Construction Sector Loans	12,213		12,213	59,582		59,582
2.6	from the Mining and Mineral Processing Sector Loans	18,925		18,925	72,477		72,477
2.7	from the Transportation or Communications Sector Loans			0			0
2.8	from Individuals Loans	126,369,012	2,985,837	129,354,849	101,626,520	3,166,725	104,793,245
2.9	from Other Sectors Loans	1,532,630	1,054,464	2,587,094	861,902	3,266,610	4,128,512
3	Interest Income From Fines on Customer Loans	5,065,943	216,836	5,282,779	2,848,102	2,160,557	5,008,659
4	Interest and Discount Income from Securities	9,230,884	0	9,230,884	6,007,597	0	6,007,597
5	Other Interest Income	318,701	10,131	328,832	379,158	7,764	386,922
6	Total Interest Income	145,637,293	5,954,033	151,591,326	114,555,941	10,285,583	124,841,524
	Interest Expense						
7	Interest Paid on Demand Deposits	44,054,396	2,288,161	46,342,557	41,423,302	729,895	42,153,197
8	Interest Paid on Time Deposits	23,776,310	10,295,570	34,071,880	13,591,902	13,864,231	27,456,133
9	Interest Paid on Banks Deposits	55,691	3,972	59,663	1,268,211	1,009	1,269,220
10	Interest Paid on Own Debt Securities	422,811	0	422,811	196,303	2,208	198,511
11	Interest Paid on Other Borrowings	173,263	0	173,263	170,959	0	170,959
12	Other Interest Expenses	0	819	819	8,575	672	9,247
13	Total Interest Expense	68,482,471	12,588,522	81,070,993	56,659,252	14,598,015	71,257,267
14	Net Interest Income	77,154,822	(6,634,489)	70,520,333	57,896,689	(4,312,432)	53,584,257
	Non-Interest Income						
15	Net Fee and Commission Income	26,049,921	2,279,363	28,329,284	16,357,623	3,252,888	19,610,511
15.1	Fee and Commission Income	28,235,361	4,241,020	32,476,381	18,146,543	4,719,770	22,866,313
15.2	Fee and Commission Expense	2,185,440	1,961,657	4,147,097	1,788,920	1,466,882	3,255,802
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	3,615	14,555	18,170	117	0	117
19	Gain (Loss) from Foreign Exchange Trading	5,231,330		5,231,330	5,050,876		5,050,876
20	Gain (Loss) from Foreign Exchange Translation	(583,313)		(583,313)	(80,737)		(80,737)
21	Gain (Loss) on Sales of Fixed Assets	46,943	0	46,943	626,024	0	626,024
22	Non-Interest Income from other Banking Operations	24,025	8,211	32,236	25,940	11,378	37,318
23	Other Non-Interest Income	2,020,101	10,455	2,030,556	767,722	0	767,722
24	Total Non-Interest Income	32,792,622	2,312,584	35,105,206	22,747,565	3,264,266	26,011,831
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	23,621	1,136	24,757	39,618	5,207	44,825
26	Bank Development, Consultation and Marketing Expenses	3,786,290	496,920	4,283,210	3,336,950	82,699	3,419,649
27	Personnel Expenses	34,830,022		34,830,022	28,707,713		28,707,713
28	Operating Costs of Fixed Assets	571,943		571,943	255,271		255,271
29	Depreciation Expense	10,368,936		10,368,936	8,522,462		8,522,462
30	Other Non-Interest Expenses	18,909,309	58,282	18,967,591	11,669,800	54,692	11,724,492
31	Total Non-Interest Expenses	68,490,121	556,338	69,046,459	52,531,814	142,598	52,674,412
32	Net Non-Interest Income	(35,697,499)	1,756,246	(33,941,253)	(29,784,249)	3,121,668	(26,662,581)
33	Net Income before Provisions	41,457,323	(4,878,243)	36,579,080	28,112,440	(1,190,764)	26,921,676
34	Loan Loss Reserve	15,112,900	X	15,112,900	7,398,697	X	7,398,697
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	2,048,242	X	2,048,242	825,862	X	825,862
37	Total Provisions for Possible Losses	17,161,142	0	17,161,142	8,224,559	0	8,224,559
38	Net Income before Taxes and Extraordinary Items	24,296,181	(4,878,243)	19,417,938	19,887,881	(1,190,764)	18,697,117
39	Taxation	2,000,000		2,000,000			0
40	Net Income after Taxation	22,296,181	(4,878,243)	17,417,938	19,887,881	(1,190,764)	18,697,117
41	Extraordinary Items			0			0
42	Net Income	22,296,181	(4,878,243)	17,417,938	19,887,881	(1,190,764)	18,697,117

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 30-Sep-14

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	1,849,077,999	253,004,444	2,102,082,443	1,502,828,500	242,874,066	1,745,702,566
1.1	Acceptances and Endorsements			0			0
1.2	Guarantees Given	9,737,383	299,592	10,036,975	12,666,898	45,142	12,712,040
1.3	Guarantees Received	365,000	1,000,530	1,365,530	609,585	1,074,208	1,683,793
1.4	Pledged Assets Given		55,956,108	55,956,108		47,655,681	47,655,681
1.5	Pledged Assets Received	1,838,975,616	195,748,214	2,034,723,830	1,489,552,017	194,099,035	1,683,651,052
1.6	Other Contingent Liabilities			0			0
2	Legally Binding Obligations	154,305,705	110,019,221	264,324,926	41,559,741	1,477,261	43,037,002
2.1	Funding Commitments of the Bank	46,743,243	462,453	47,205,696	41,559,741	809,545	42,369,286
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	52,473,000	54,715,676	107,188,676		333,239	333,239
2.6	Forward Foreign Exchange Contracts	55,089,462	54,841,092	109,930,554		334,477	334,477
2.7	Other Commitments			0			0
3	Other Liabilities	9,737,383	299,592	10,036,975	12,666,898	45,142	12,712,040
3.1	Obligation Of the Issuer (endorser) to the Bank			0			0
3.2	Clients' Liabilities	9,737,383	299,592	10,036,975	12,666,898	45,142	12,712,040
3.3	Third Parties' Clients' Liability to the Bank			0			0
4	Items to be Held in Safekeeping	597,759	0	597,759	8,715,078	0	8,715,078
4.1	Precious Metals			0			0
4.2	Securities			0			0
4.3	Other Items	597,759		597,759	8,715,078		8,715,078
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	600,379,996	0	600,379,996	510,373,631	0	510,373,631
7.1	Accounting Documents not Paid in due Time by Reason of C	600,379,996		600,379,996	510,373,631		510,373,631
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	81,036,676	23,790,247	104,826,923	71,207,915	26,455,235	97,663,150
8.1	Unpaid Interest on Loans up to 31.12.2000	2,179,001		2,179,001	2,179,002		2,179,002
8.2	Unpaid Interest on Loans from to 01.01.2001	23,051,605	2,518,144	25,569,749	16,626,379	2,947,325	19,573,704
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	29,866,955	20,867,948	50,734,903	26,878,040	23,170,211	50,048,251
8.5	Other Written Off Assets	22,719,914	404,155	23,124,069	22,305,293	337,699	22,642,992
9	Other Valuables and Documents	2,058,899	0	2,058,899	2,044,592	0	2,044,592
9.1	Undistributed value parcels			0			0
9.2	Small value inventory	1,987,740		1,987,740	1,986,835		1,986,835
9.3	Strict reporting forms	71,159		71,159	57,757		57,757
9.4	Payment of Special Lottery			0			0
10	Total	2,697,194,417	387,113,504	3,084,307,921	2,149,396,355	270,851,704	2,420,248,059

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 30-Sep-14

sheet N4

		Reporting Period	Respective period of the previous year
	CAPITAL		
1	Tier 1 Capital Ratio \geq 8%	11.02%	9.36%
2	Regulatory Capital Ratio \geq 12%	13.93%	12.87%
3	Risk Weighted Assets/Total Assets	62.83%	59.70%
4	Cash Dividend/Net Income	0.00%	0.00%
	Income		
5	Total Interest Income /Average Annual Assets	13.93%	15.14%
6	Total Interest Expense / Average Annual Assets	7.45%	8.64%
7	Earnings from Operations / Average Annual Assets	3.41%	3.20%
8	Net Interest Margin	6.48%	6.50%
9	Return on Average Assets (ROA)	1.60%	2.27%
10	Return on Average Equity (ROE)	14.49%	20.84%
	ASSET QUALITY		
11	Non Performed Loans / Total Loans	4.89%	4.45%
12	LLR/Total Loans	5.86%	5.39%
13	FX Loans/Total Loans	4.30%	8.32%
14	FX Assets/Total Assets	19.70%	18.71%
15	Loan Growth-YTD	16.57%	39.45%
	LIQUIDITY		
16	Liquid Assets/Total Assets	41.62%	45.75%
17	FX Liabilities/Total Liabilities	22.10%	20.63%
18	Current & Demand Deposits/Total Assets	54.09%	58.31%

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 30-Sep-14

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

sheet N5

Members of Supervisory Council		
1	Vladimer Gurgenidze	
2	Melanie Chen	
Members of Board of Directors		
1	George Arveladze	
2	Zurab Tsulaia	
3	Aleksander Liparteliani	
4	Armen Matevosyan	
5	Sandro Rtveladze	
6	David Verulashvili	
List of Shareholders owning 1% and more of issued capital, indicating Shares *		
1	„Liberty Holding Georgia "LLC	72.94%
2	BNY Limited (Nominees)	11.24%
3	„Liberty Capital " JSC	7.58%
4	Other (2722)	8.24%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares*		
1	Liberty Investments Holding B.V.,	63.63%
2	BNY Limited (Nominees)	11.24%
3	Vladimer Gurgenidze	7.33%
4	Malik Ishmuratov	6.98%

* Shares comprise common and preferred shares

Director

Chief Accountant