

Pillar 3 quarterly report		
1	Name of a bank	JSC "Liberty Bank"
2	Chairman of the Supervisory Board	Irakli Otari Rukhadze
3	CEO of a bank	Giorgi Kalandarishvili
4	Bank's web page	www.libertybank.ge

Senior management of the bank ensures fair presentation and accuracy of the information provided within Pillar 3 disclosure report. The report is prepared in accordance with internal review and control processes coordinated with the board. The report meets the requirements of the decree N92/04 of the Governor of the National Bank of Georgia on "Disclosure requirements for commercial banks within Pillar 3" and other relevant decrees and regulations of NBBG.

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Bank: JSC 'Liberty Bank'
Date: 12/31/2017

Table 1 Key metrics

N		4Q 2017*	3Q 2017	2Q 2017	1Q 2017	4Q 2016
	Regulatory capital (amounts, GEL)					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CET1)	162,443,898	146,880,297	131,626,635	142,849,753	136,024,892
2	Tier 1	168,582,962	153,019,361	137,765,699	148,988,817	142,163,956
3	Total regulatory capital	232,494,384	216,439,947	201,799,705	219,371,128	214,438,710
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	1,355,390,670	1,148,598,509	1,203,229,966	1,145,329,051	1,149,962,271
5	Risk-weighted assets (RWA) (Based on Basel I framework)	1,140,371,139	1,075,579,526	1,005,604,938	928,462,246	903,311,913
	Capital ratios as a percentage of RWA					
	<i>Based on Basel III framework</i>					
6	Common equity Tier 1 ratio (≥ 7.0 %) **	11.99%	12.79%	10.94%	12.47%	11.83%
7	Tier 1 ratio (≥ 8.5 %) **	12.44%	13.32%	11.45%	13.01%	12.36%
8	Total regulatory capital ratio (≥ 10.5 %) **	17.15%	18.84%	16.77%	19.15%	18.65%
	<i>Based on Basel I framework</i>					
9	Common equity Tier 1 ratio (≥ 6.4 %)	10.39%	11.23%	11.92%	15.25%	12.09%
10	Total regulatory capital ratio (≥ 9.6 %)	20.77%	20.61%	20.43%	23.99%	23.38%
	Income					
11	Total Interest Income / Average Annual Assets	15.44%	15.30%	15.08%	14.99%	14.93%
12	Total Interest Expense / Average Annual Assets	6.61%	6.65%	6.68%	6.77%	7.47%
13	Earnings from Operations / Average Annual Assets	5.20%	4.75%	4.07%	2.59%	3.94%
14	Net Interest Margin	8.82%	8.65%	8.40%	8.22%	7.47%
15	Return on Average Assets (ROAA)	3.09%	2.76%	2.45%	2.36%	2.23%
16	Return on Average Equity (ROAE)	25.76%	23.20%	20.56%	20.33%	21.22%
	Asset Quality					
17	Non Performed Loans / Total Loans	10.12%	10.36%	10.42%	10.29%	10.15%
18	LLR/Total Loans	11.11%	11.21%	11.10%	10.89%	10.93%
19	FX Loans/Total Loans	1.54%	1.74%	2.02%	2.47%	3.67%
20	FX Assets/Total Assets	20.00%	20.99%	22.58%	24.20%	26.05%
21	Loan Growth-YTD	29.78%	22.15%	16.05%	5.30%	3.19%
	Liquidity					
22	Liquid Assets/Total Assets	40.06%	40.95%	42.57%	44.67%	46.37%
23	FX Liabilities/Total Liabilities	25.95%	27.10%	28.60%	30.88%	32.82%
24	Current & Demand Deposits/Total Assets	36.11%	37.09%	37.85%	35.99%	36.80%
	Liquidity Coverage Ratio***					
25	Total HQLA	733,359,924	710,153,574	722,963,832	728,569,297	769,455,943
26	Net cash outflow	255,294,208	236,121,311	245,181,986	232,451,405	263,039,757
27	LCR ratio (%)	287.26%	300.76%	294.87%	313.43%	292.52%

* Significant changes between these two reporting periods is due to changes in NBG's methodology of calculating Risk Weighted Risk Exposures, in particular excluding Currency induced credit risk (CICR) from RWRA, which will be reflected in Pillar 2 capital buffer requirements. For the further details see the link of NBG's official press-release:

<https://www.nbg.gov.ge/index.php?m=340&newsid=3248&lng=eng>

** These includes Minimum capital requirements (4.5%, 6%, 8%) and Capital Conservation Buffer (2.5%) according to article 8 of the regulation on Capital Adequacy Requirements for Commercial Banks.

*** LCR calculated according to NBG's methodology which is more focused on local risks than Basel framework. See the table 14. LCR; Commercial banks are required to comply with the limits by coefficients calculated according to NBG's methodology. The numbers calculated within Basel framework are given for illustratory purposes.

Bank: JSC 'Liberty Bank'
Date: 12/31/2017

Table 2 **Balance Sheet** *in Lari*

N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
	Assets						
1	Cash	121,279,851	38,110,197	159,390,048	111,370,743	34,036,822	145,407,565
2	Due from NBG	46,134,030	75,497,427	121,631,457	54,440,057	202,970,131	257,410,188
3	Due from Banks	15,613,089	215,224,883	230,837,972	713,723	145,413,733	146,127,456
4	Dealing Securities	-	-	-	-	-	-
5	Investment Securities	218,146,845	-	218,146,845	243,041,197	-	243,041,197
6.1	Loans	940,096,217	14,677,300	954,773,517	708,702,799	26,976,941	735,679,740
6.2	Less: Loan Loss Reserves	(102,776,976)	(3,284,563)	(106,061,539)	(78,191,226)	(2,187,719)	(80,378,945)
6	Net Loans	837,319,241	11,392,737	848,711,978	630,511,573	24,789,222	655,300,795
7	Accrued Interest and Dividends Receivable	13,393,509	187,101	13,580,610	11,194,646	444,467	11,639,113
8	Other Real Estate Owned & Repossessed Assets	97,643	-	97,643	492,105	-	492,105
9	Equity Investments	147,088	110,169	257,257	147,088	146,185	293,273
10	Fixed Assets and Intangible Assets	160,905,358	-	160,905,358	149,388,980	-	149,388,980
11	Other Assets	34,611,366	21,501,370	56,112,736	17,932,902	21,741,272	39,674,174
12	Total assets	1,447,648,020	362,023,884	1,809,671,904	1,219,233,014	429,541,832	1,648,774,846
	Liabilities						
13	Due to Banks	734,629	3,854,769	4,589,398	843,533	2,237,269	3,080,802
14	Current (Accounts) Deposits	342,820,977	130,309,522	473,130,499	345,692,333	123,091,690	468,784,023
15	Demand Deposits	120,410,617	60,019,505	180,430,122	80,765,939	57,273,836	138,039,775
16	Time Deposits	547,764,077	123,880,660	671,644,737	457,225,319	211,499,365	668,724,684
17	Own Debt Securities	-	2,646,118	2,646,118	-	2,018,715	2,018,715
18	Borrowings	-	-	-	17,000,000	-	17,000,000
19	Accrued Interest and Dividends Payable	5,076,535	1,282,581	6,359,116	5,857,083	2,981,083	8,838,166
20	Other Liabilities	139,508,367	2,513,663	142,022,030	58,907,659	4,647,408	63,555,067
21	Subordinated Debentures	16,175,800	86,440,453	102,616,253	16,175,800	76,306,982	92,482,782
22	Total liabilities	1,172,491,002	410,947,271	1,583,438,273	982,467,666	480,056,348	1,462,524,014
	Equity Capital						
23	Common Stock	54,404,798	-	54,404,798	54,233,137	-	54,233,137
24	Preferred Stock	61,391	-	61,391	61,391	-	61,391
25	Less: Repurchased Shares	(10,454,283)	-	(10,454,283)	(10,454,283)	-	(10,454,283)
26	Share Premium	39,952,249	-	39,952,249	39,952,249	-	39,952,249
27	General Reserves	1,694,028	-	1,694,028	1,694,028	-	1,694,028
28	Retained Earnings	111,565,946	-	111,565,946	80,527,085	-	80,527,085
29	Asset Revaluation Reserves	29,009,502	-	29,009,502	20,237,225	-	20,237,225
30	Total Equity Capital	226,233,631	-	226,233,631	186,250,832	-	186,250,832
31	Total liabilities and Equity Capital	1,398,724,633	410,947,271	1,809,671,904	1,168,718,498	480,056,348	1,648,774,846

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Table 3 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	3,784,557	1,717,375	5,501,932	4,234,683	144,915	4,379,598
2	Interest Income from Loans	212,875,255	2,919,658	215,794,913	192,650,239	4,119,478	196,769,717
2.1	from the Interbank Loans	149,605	-	149,605	991,032	-	991,032
2.2	from the Retail or Service Sector Loans	27,107	29,985	57,092	139,323	54,653	193,976
2.3	from the Energy Sector Loans	-	-	-	-	-	-
2.4	from the Agriculture and Forestry Sector Loans	16,376	-	16,376	17,561	-	17,561
2.5	from the Construction Sector Loans	-	-	-	-	-	-
2.6	from the Mining and Mineral Processing Sector Loans	-	-	-	-	-	-
2.7	from the Transportation or Communications Sector Loans	-	-	-	-	-	-
2.8	from Individuals Loans	212,145,176	2,871,489	215,016,665	191,055,498	3,909,478	194,964,976
2.9	from Other Sectors Loans	536,991	18,184	555,175	446,825	155,347	602,172
3	Fees/penalties income from loans to customers	21,174,387	274,107	21,448,494	17,034,719	363,821	17,398,540
4	Interest and Discount Income from Securities	18,877,400	-	18,877,400	17,677,190	-	17,677,190
5	Other Interest Income	22,908	2,730	25,638	39,474	2,683	42,157
6	Total Interest Income	256,734,507	4,913,870	261,648,377	231,636,305	4,630,897	236,267,202
	Interest Expense						
7	Interest Paid on Demand Deposits	29,354,867	3,446,728	32,801,595	35,308,787	5,574,254	40,883,041
8	Interest Paid on Time Deposits	58,611,794	6,758,421	65,370,215	55,740,872	9,553,549	65,294,421
9	Interest Paid on Banks Deposits	92,023	1,126	93,149	126,564	1,313	127,877
10	Interest Paid on Own Debt Securities	2,912,309	10,658,226	13,570,535	2,864,053	7,945,281	10,809,334
11	Interest Paid on Other Borrowings	232,920	-	232,920	1,027,027	-	1,027,027
12	Other Interest Expenses	-	315	315	-	466	466
13	Total Interest Expense	91,203,913	20,864,816	112,068,729	95,067,303	23,074,863	118,142,166
14	Net Interest Income	165,530,594	(15,950,946)	149,579,648	136,569,002	(18,443,966)	118,125,036
	Non-Interest Income						
15	Net Fee and Commission Income	66,270,247	125,426	66,395,673	59,292,245	1,011,591	60,303,836
15.1	Fee and Commission Income	70,764,898	5,343,157	76,108,055	63,843,509	5,406,412	69,249,921
15.2	Fee and Commission Expense	4,494,651	5,217,731	9,712,382	4,551,264	4,394,821	8,946,085
16	Dividend Income	-	-	-	-	-	-
17	Gain (Loss) from Dealing Securities	-	-	-	-	-	-
18	Gain (Loss) from Investment Securities	24,465	(109,355)	(84,890)	5,011	15,080	20,091
19	Gain (Loss) from Foreign Exchange Trading	(33,882)	-	(33,882)	6,294,422	-	6,294,422
20	Gain (Loss) from Foreign Exchange Translation	1,536,374	-	1,536,374	(7,900,011)	-	(7,900,011)
21	Gain (Loss) on Sales of Fixed Assets	(478,280)	-	(478,280)	1,499,797	-	1,499,797
22	Non-Interest Income from other Banking Operations	2,235	-	2,235	4,480	-	4,480
23	Other Non-Interest Income	1,555,280	1,413,333	2,968,613	1,432,820	784,783	2,217,603
24	Total Non-Interest Income	68,876,439	1,429,404	70,305,843	60,628,764	1,811,454	62,440,218
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	166,809	-	166,809	53,009	-	53,009
26	Bank Development, Consultation and Marketing Expenses	8,261,156	1,123,306	9,384,462	9,263,947	1,184,052	10,447,999
27	Personnel Expenses	70,165,697	-	70,165,697	65,615,298	-	65,615,298
28	Operating Costs of Fixed Assets	1,346,985	-	1,346,985	1,345,079	-	1,345,079
29	Depreciation Expense	20,893,516	-	20,893,516	19,420,917	-	19,420,917
30	Other Non-Interest Expenses	28,635,353	190,311	28,825,664	27,487,688	188,158	27,675,846
31	Total Non-Interest Expenses	129,469,516	1,313,617	130,783,133	123,185,998	1,372,210	124,558,148
32	Net Non-Interest Income	(60,593,077)	115,787	(60,477,290)	(62,557,174)	439,244	(62,117,930)
33	Net Income before Provisions	104,937,517	(15,835,159)	89,102,358	74,011,828	(18,004,722)	56,007,106
34	Loan Loss Reserve	26,623,163	-	26,623,163	15,642,232	-	15,642,232
35	Provision for Possible Losses on Investments and Securities	-	-	-	1,569,877	-	1,569,877
36	Provision for Possible Losses on Other Assets	715,184	-	715,184	501,867	-	501,867
37	Total Provisions for Possible Losses	27,338,347	-	27,338,347	17,713,976	-	17,713,976
38	Net Income before Taxes and Extraordinary Items	77,599,170	(15,835,159)	61,764,011	56,297,852	(18,004,722)	38,293,130
39	Taxation	9,385,303	-	9,385,303	3,000,000	-	3,000,000
40	Net Income after Taxation	68,213,867	(15,835,159)	52,378,708	53,297,852	(18,004,722)	35,293,130
41	Extraordinary Items	-	-	-	-	-	-
42	Net Income	68,213,867	(15,835,159)	52,378,708	53,297,852	(18,004,722)	35,293,130

Bank: JSC "Liberty Bank"
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Table 4

in Lari

N	On-balance sheet items per standardized regulatory report	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Contingent Liabilities and Commitments	32,808,396	342,931	33,151,327	31,441,026	509,470	31,950,496
1.1	Guarantees Issued	766,939	72,854	839,793	701,335	148,005	849,340
1.2	Letters of credit Issued	-	-	-	-	-	-
1.3	Undrawn loan commitments	32,041,457	270,077	32,311,534	30,739,691	361,465	31,101,156
1.4	Other Contingent Liabilities	-	-	-	-	-	-
2	Guarantees received as security for liabilities of the bank	-	-	-	-	-	-
3	Assets pledged as security for liabilities of the bank	-	-	-	-	-	-
3.1	Financial assets of the bank	-	-	-	-	-	-
3.2	Non-financial assets of the bank	-	-	-	-	-	-
4	Guarantees received as security for receivables of the bank	-	-	-	-	731,469	731,469
4.1	Surety, joint liability	-	-	-	-	-	-
4.2	Guarantees	-	-	-	-	731,469	731,469
5	Assets pledged as security for receivables of the bank	980,424,441	437,539,386	1,417,963,827	1,005,798,488	539,851,551	1,545,650,039
5.1	Cash	30,412,869	1,973,649	32,386,518	31,409,566	5,118,329	36,527,895
5.2	Precious metals and stones	-	70,509,305	70,509,305	-	69,519,889	69,519,889
5.3	Real Estate:	119,670	149,376,565	149,496,235	735,143	166,880,364	167,615,507
5.3.1	Residential Property	119,670	135,950,237	136,069,907	446,767	139,097,873	139,544,640
5.3.2	Commercial Property	-	5,161,594	5,161,594	288,376	16,919,169	17,207,545
5.3.3	Complex Real Estate	-	574,177	574,177	-	729,540	729,540
5.3.4	Land Parcel	-	3,462,886	3,462,886	-	6,092,889	6,092,889
5.3.5	Other	-	4,227,671	4,227,671	-	4,040,893	4,040,893
5.4	Movable Property	-	103,663,968	103,663,968	185,500	82,275,227	82,460,727
5.5	Shares Pledged	-	-	-	-	-	-
5.6	Securities	-	-	-	-	-	-
5.7	Other	949,891,902	112,015,899	1,061,907,801	973,468,279	216,057,742	1,189,526,021
6	Derivatives	69,663,372	54,366,199	124,029,571	65,555,604	55,648,826	121,204,430
6.1	Receivables through FX contracts (except options)	-	51,715,034	51,715,034	-	52,853,891	52,853,891
6.2	Payables through FX contracts (except options)	69,663,372	2,651,165	72,314,537	65,555,604	2,794,935	68,350,539
6.3	Principal of interest rate contracts (except options)	-	-	-	-	-	-
6.4	Options sold	-	-	-	-	-	-
6.5	Options purchased	-	-	-	-	-	-
6.6	Nominal value of potential receivables through other derivatives	-	-	-	-	-	-
6.7	Nominal value of potential payables through other derivatives	-	-	-	-	-	-
7	Receivables not recognized on-balance	27,238,493	742,986	27,981,479	32,743,821	11,500,994	44,244,815
7.1	Principal of receivables derecognized during last 3 month	912,390	-	912,390	3,797,285	58,539	3,855,824
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	-	-	-	-	-	-
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	27,238,493	742,986	27,981,479	32,743,821	11,500,994	44,244,815
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	-	-	-	-	-	-
8	Non-cancelable operating lease	10,737,524	25,957,001	36,694,525	11,305,714	35,664,638	46,970,352
8.1	Through indefinit term agreement	-	-	-	-	-	-
8.2	Within one year	2,441,634	5,021,480	7,463,114	2,317,608	6,128,657	8,446,265
8.3	From 1 to 2 years	2,224,931	4,962,508	7,187,439	2,070,620	5,689,935	7,760,555
8.4	From 2 to 3 years	1,221,696	4,304,452	5,526,148	2,013,293	5,583,215	7,596,509
8.5	From 3 to 4 years	1,099,787	3,510,744	4,610,531	1,086,549	5,003,026	6,089,575
8.6	From 4 to 5 years	1,028,574	2,680,485	3,709,059	963,390	4,025,477	4,988,867
8.7	More than 5 years	2,720,902	5,477,332	8,198,233	2,854,253	9,234,328	12,088,581
9	Capital expenditure commitment	69,041	2,189,165	2,258,206	134,798	103,809	238,607

Bank: JSC "Liberty Bank"
 Date: 12/31/2017

Table 5

Risk Weighted Assets

in Lari

N		4Q 2017	3Q 2017
1	Risk Weighted Assets for Credit Risk	999,717,347	916,337,532
1.1	Balance sheet items	980,144,479	891,423,424
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	-	-
1.2	Off-balance sheet items	10,374,059	7,387,821
1.3	Currency induced credit risk*		8,328,733
1.4	Counterparty credit risk	9,198,809	9,197,554
2	Risk Weighted Assets for Market Risk	4,301,150	1,697,143
3	Risk Weighted Assets for Operational Risk	351,372,173	230,563,834
4	Total Risk Weighted Assets	1,355,390,670	1,148,598,509

* CICR is excluded from RWA due to changes in NBG's methodology of calculating Risk Weighted Risk Exposures, in particular excluding Currency induced credit risk (CICR) from RWRA, which will be reflected in Pillar 2 capital buffer requirements. For the further details see the link of NBG's official press-release:
<https://www.nbg.gov.ge/index.php?m=340&newsid=3248&lng=eng>

Bank: JSC "Liberty Bank"

Date: 12/31/2017

Table 6 Information about supervisory board, directorate, beneficiary owners and shareholders

Members of Supervisory Board	
1	Irakli Otar Rukhadze
2	George Kalandarishvili
3	David Shonia
Members of Board of Directors	
1	George Kalandarishvili
2	Zurab Tsulaia
3	Aleksander Liparteliani
4	Armen Matevosyan
5	David Verulashvili
6	David melikidze
7	Taras (Tato) Chantladze
List of Shareholders owning 1% and more of issued capital, indicating Shares	
1	European Financial Group B.V. 74.638%
2	BNY LIMITED(NOMINEES) 8.587%
3	JSC "Heritage Securities" (Nominal owner) 9.080%
4	JSC "GALT & TAGGART" (Nominal owner) 4.245%
5	JSC "Georgian Central Securities Depository" (Nominal owner) 1.764%
6	Other shareholders 1.686%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares	
1	Irakli Otar Rukhadze 24.884%
2	Benjamin Albert Marson 24.877%
3	Igor Alexeev 24.877%
4	BNY Limited (Nominees) 8.587%

Bank: JSC 'Liberty Bank'
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Table 7 | Linkages between financial statement assets and balance sheet items subject to credit risk weighting

	Account name of standardized supervisory balance sheet item	a Carrying values as reported in published stand-alone financial statements per local accounting rules	b Carrying values of items		c Subject to credit risk weighting
			Not subject to capital requirements or subject to deduction from capital		
1	Cash	159,390,048	-		159,390,048
2	Due from NBG	121,631,457	-		121,631,457
3	Due from Banks	230,837,972	-		230,837,972
4	Dealing Securities	-	-		-
5	Investment Securities	218,146,845	-		218,146,845
6.1	Loans	954,773,517	-		954,773,517
6.2	Less: Loan Loss Reserves	(106,061,539)	-		(106,061,539)
6	Net Loans	848,711,978	-		848,711,978
7	Accrued Interest and Dividends Receivable	13,580,610	-		13,580,610
8	Other Real Estate Owned & Repossessed Assets	97,643	-		97,643
9	Equity Investments	257,257	257,057		200
10	Fixed Assets and Intangible Assets	160,905,358	26,348,780		134,556,578
11	Other Assets	56,112,736	-		56,112,736
	Total exposures subject to credit risk weighting before adjustments	1,809,671,904	26,605,837		1,783,066,067

Bank: JSC 'Liberty Bank'
 Date: 12/31/2017

Table 8 Differences between carrying values per standardized balance sheet used for regulatory reporting purposes and the exposure amounts used for capital adequacy calculation purposes		<i>in Lari</i>
1	Total carrying value of balance sheet items subject to credit risk weighting before adjustments	1,783,066,067
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	33,151,327
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	71,011,422
3	Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes	1,887,228,816
4	Effect of provisioning rules used for capital adequacy purposes	16,748,751
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	(22,243,463)
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	(61,812,613)
6	Effect of other adjustments	-
7	Total exposures subject to credit risk weighting	1,819,921,492

Bank: JSC "Liberty Bank"
Date: 12/31/2017

Table 9 Regulatory capital

N		in Lari
1	Common Equity Tier 1 capital before regulatory adjustments	220,094,567
2	Common shares that comply with the criteria for Common Equity Tier 1	43,950,515
3	Stock surplus (share premium) of common share that meets the criteria of Common Equity Tier 1	33,874,576
4	Accumulated other comprehensive income	29,009,502
5	Other disclosed reserves	1,694,028
6	Retained earnings (loss)	111,565,946
7	Regulatory Adjustments of Common Equity Tier 1 capital	57,650,669
8	Revaluation reserves on assets	29,009,502
9	Accumulated unrealized revaluation gains on assets through profit and loss to the extent that they exceed accumulated unrealized revaluation losses through profit and loss	2,035,330
10	Intangible assets	26,348,780
11	Shortfall of the stock of provisions to the provisions based on the Asset Classification	-
12	Investments in own shares	-
13	Reciprocal cross holdings in the capital of commercial banks, insurance entities and other financial institutions	-
14	Cash flow hedge reserve	-
15	Deferred tax assets not subject to the threshold deduction (net of related tax liability)	-
16	Significant investments in the common equity tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions that are outside the scope of regulatory consolidation	-
17	Holdings of equity and other participations constituting more than 10% of the share capital of other commercial entities	257,057
18	Significant investments in the common shares of commercial banks, insurance entities and other financial institutions (amount above 10% limit)	-
19	Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit)	-
20	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-
21	The amount of significant Investments and Deferred Tax Assets which exceed 15% of common equity tier 1	-
22	Regulatory adjustments applied to Common Equity Tier 1 resulting from shortfall of Tier 1 and Tier 2 capital to deduct investments	-
23	Common Equity Tier 1	162,443,898
24	Additional tier 1 capital before regulatory adjustments	6,139,064
25	Instruments that comply with the criteria for Additional tier 1 capital	61,391
26	Including: instruments classified as equity under the relevant accounting standards	61,391
27	Including: instruments classified as liabilities under the relevant accounting standards	-
28	Stock surplus (share premium) that meet the criteria for Additional Tier 1 capital	6,077,673
29	Regulatory Adjustments of Additional Tier 1 capital	-
30	Investments in own Additional Tier 1 instruments	-
31	Reciprocal cross-holdings in Additional Tier 1 instruments	-
32	Significant investments in the Additional Tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	-
33	Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit)	-
34	Regulatory adjustments applied to Additional Tier 1 resulting from shortfall of Tier 2 capital to deduct investments	-
35	Additional Tier 1 Capital	6,139,064
36	Tier 2 capital before regulatory adjustments	63,911,423
37	Instruments that comply with the criteria for Tier 2 capital	51,414,956
38	Stock surplus (share premium) that meet the criteria for Tier 2 capital	-
39	General reserves, limited to a maximum of 1.25% of the bank's credit risk-weighted exposures	12,496,467
40	Regulatory Adjustments of Tier 2 Capital	-
41	Investments in own shares that meet the criteria for Tier 2 capital	-
42	Reciprocal cross-holdings in Tier 2 capital	-
43	Significant investments in the Tier 2 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	-
44	Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit)	-
45	Tier 2 Capital	63,911,423

Bank: JSC "Liberty Bank"
Date: 12/31/2017

Table 10 Reconciliation of balance sheet to regulatory capital

in Lari

N	On-balance sheet items per standardized regulatory report	Carrying values as reported in published stand-alone financial statements per local accounting rules	linkage to capital table
1	Cash	159,390,048	
2	Due from NBG	121,631,457	
3	Due from Banks	230,837,972	
4	Dealing Securities	-	
5	Investment Securities	218,146,845	
6.1	Loans	954,773,517	
6.2	Less: Loan Loss Reserves	(106,061,539)	
6.2.1	Of which general loan loss reserve	12,496,467	table 9 (Capital), N39
6	Net Loans	848,711,978	
7	Accrued Interest and Dividends Receivable	13,580,610	
8	Other Real Estate Owned & Repossessed Assets	97,643	
9	Equity Investments	257,257	
9.1	Of which holdings of equity and other participations constituting more than 10% of the share capital of other commercial entities, deductible from Common Equity Tier 1 Capital	257,057	table 9 (Capital), N17
9.2	Of which significant investments subject to limited recognition	-	
9.3	Of which below 10% equity holdings subject to limited recognition	-	
10	Fixed Assets and Intangible Assets	160,905,358	
10.1	Of which intangible assets	26,348,780	table 9 (Capital), N10
11	Other Assets	56,112,736	
12	Total assets	1,809,671,904	
13	Due to Banks	4,589,398	
14	Current (Accounts) Deposits	473,130,499	
15	Demand Deposits	180,430,122	
16	Time Deposits	671,644,737	
17	Own Debt Securities	2,646,118	
18	Borrowings	-	
19	Accrued Interest and Dividends Payable	6,359,116	
20	Other Liabilities	142,022,030	
20.1	Of which general reserve for off-balance items	(16,450)	
21	Subordinated Debentures	102,616,253	
21.1	Of which tier II capital qualifying instruments	51,414,956	table 9 (Capital), N37
22	Total liabilities	1,588,421,823	
23	Common Stock	54,404,798	
23.1	Of which common equity tier 1 capital qualifying instruments	54,404,798	table 9 (Capital), N2
24	Preferred Stock	61,391	
24.1	Of which tier 1 capital qualifying instruments	61,391	table 9 (Capital), N26
25	Less: Repurchased Shares	(10,454,283)	
25.1	Of which repurchased shares subtracted from common equity tier 1 capital	(10,454,283)	table 9 (Capital), N2
26	Share Premium	39,952,249	
26.1	Of which common equity tier 1 capital qualifying instruments	33,874,576	table 9 (Capital), N3
26.2	Of which tier 1 capital qualifying instruments	6,077,673	table 9 (Capital), N28
27	General Reserves	1,694,028	
27.1	Of which common equity tier 1 capital qualifying instruments	1,694,028	table 9 (Capital), N5
28	Retained Earnings	111,565,946	
28.1	Of which common equity tier 1 capital qualifying instruments	111,565,946	table 9 (Capital), N6
28.2	Of which accumulated unrealized revaluation gains on assets through profit and loss to the extent that they exceed accumulated unrealized revaluation losses through profit and loss, deductible from common equity tier 1 capital	2,035,330	table 9 (Capital), N9
29	Asset Revaluation Reserves	29,009,502	
29.1	Of which common equity tier 1 capital qualifying instruments	29,009,502	table 9 (Capital), N4
29.2	Of which deductible from common equity tier 1 capital	29,009,502	table 9 (Capital), N8
30	Total Equity Capital	483,512,094	

Bank: JSC "Abkhaz Bank"
Date: 15/01/2017

Table 11
Credit Risk Weighted Exposure
(On-balance items and off-balance items after credit conversion factor)

Exposure classes	0%		20%		30%		50%		75%		100%		150%		250%		Risk Weighted Exposure before Credit Risk Weights
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount			
1. Claims on counterpart claims on central governments or central banks	270,548,539	-	-	-	-	-	-	-	-	-	76,497,427	-	-	-	-	-	270,548,539
2. Claims on counterpart claims on central governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Claims on counterpart claims on SME, micro-enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Claims on counterpart claims on institutional investors/banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Claims on counterpart claims on international organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Claims on counterpart claims on intergovernmental bodies	-	-	322,079,379	-	-	-	4,982,008	-	826,363	-	-	-	-	-	-	-	327,061,387
7. Claims on counterpart claims on corporations	-	-	-	-	-	-	3,304,421	-	32,008,461	10,800,100	-	-	-	-	-	-	37,112,982
8. Retail claims on counterpart credit claims	-	-	-	-	8,723,725	-	-	-	793,007,000	22,505	-	-	-	-	-	-	801,720,730
9. Retail claims on counterpart credit claims	-	-	-	-	-	-	270,891	-	-	-	-	-	-	-	-	-	270,891
10. Retail claims	-	-	-	-	-	-	270,891	-	-	-	2,512,081	522,363	-	-	-	-	3,112,982
11. Claims on counterpart claims on residential real estate	-	-	-	-	-	-	-	-	-	2,507,272	-	-	-	-	-	-	2,507,272
12. Claims on counterpart claims on commercial real estate	-	-	-	-	-	-	-	-	-	-	-	-	1,790,212	-	-	-	1,790,212
13. Claims on counterpart claims on commercial real estate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14. Claims on the basis of letters of credit/ bank guarantees (LC/ BG)	100,000,000	-	1,842,000	-	-	-	-	-	-	-	100,000,000	-	-	-	-	-	101,842,000
Total	640,548,539	-	324,921,379	-	8,723,725	-	3,280,811	-	793,007,000	23,305	376,409,788	10,800,100	16,592,366	-	1,790,212	-	1,446,954,289

Bank: JSC "Liberty Bank"
Date: 12/31/2017

Table 13 Standardized approach - Effect of credit risk mitigation

	a	b		c		d	e	f
		On-balance sheet exposures	Off-balance sheet exposures		RWA before Credit Risk Mitigation			
Asset Classes	Off-balance sheet exposures - Nominal value		Off-balance sheet exposures post CCF					
1	Claims or contingent claims on central governments or central banks	352,045,966	-	-	75,497,427	75,497,427	21.45%	
2	Claims or contingent claims on regional governments or local authorities	-	-	-	-	-	nmf	
3	Claims or contingent claims on public sector entities	-	-	-	-	-	nmf	
4	Claims or contingent claims on multilateral development banks	-	-	-	-	-	nmf	
5	Claims or contingent claims on international organizations/institutions	-	-	-	-	-	nmf	
6	Claims or contingent claims on commercial banks	230,896,278	-	-	48,340,206	48,340,206	20.94%	
7	Claims or contingent claims on corporates	59,346,917	33,134,023	10,890,560	69,083,261	64,355,315	91.63%	
8	Retail claims or contingent retail claims	759,107,659	17,305	17,305	569,343,723	552,377,276	72.76%	
9	Claims or contingent claims secured by mortgages on residential property	8,773,725	-	-	3,070,804	3,070,804	35.00%	
10	Past due items	2,970,277	-	-	3,117,983	2,607,139	87.77%	
11	Items belonging to regulatory high-risk categories	90,502,202	-	-	136,258,703	108,525,822	119.92%	
12	Short-term claims on commercial banks and corporates	-	-	-	-	-	nmf	
13	Claims in the form of collective investment undertakings (CIU)	-	-	-	-	-	nmf	
14	Other items	296,171,795	-	-	135,744,550	135,744,550	45.83%	
	Total	1,799,814,818	33,151,327	10,907,865	1,040,456,658	990,518,538	54.70%	

Bank: JSC "Liberty Bank"
Date: 12/31/2017

Table 14 Liquidity Coverage Ratio

	Total unweighted value (daily average ^(*))			Total weighted values according to NBG's methodology ^(*) (daily average ^(*))			Total weighted values according to Basel methodology (daily average ^(*))		
	GEL	FX	Total	GEL	FX	Total	GEL	FX	Total
High-quality liquid assets									
1 Total HQLA				406,420,861	326,939,063	733,359,924	391,351,690	112,987,425	504,339,115
Cash outflows									
2 Retail deposits	674,216,053	266,428,134	940,644,186	94,044,851	88,623,957	182,668,808	19,134,655	13,428,825	32,563,480
3 Unsecured wholesale funding	274,846,355	131,332,564	406,178,919	103,805,044	24,357,337	128,162,381	81,126,464	18,159,373	99,285,837
4 Secured wholesale funding	-	-	-	-	-	-	-	-	-
5 Outflows related to off-balance sheet obligations and net short position of derivative exposures	69,663,372	-	69,663,372	-	-	-	-	-	-
6 Other contractual funding obligations	32,041,457	270,077	32,311,534	6,413,505	193,994	6,607,499	1,607,286	747,45	1,682,031
7 Other contingent funding obligations	37,855,849	3,787,641	41,643,490	12,391,509	2,060,782	14,452,291	12,352,382	2,057,140	14,409,521
8 TOTAL CASH OUTFLOWS	1,068,623,086	401,818,416	1,470,441,502	216,651,908	115,236,071	331,887,979	116,226,787	35,720,083	147,946,869
Cash inflows									
9 Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	991,812,983	243,316,603	1,235,129,585	74,480,478	2,113,293	76,593,771	89,549,649	217,189,059	306,738,708
11 Other cash inflows	29,918,125	57,083,722	87,001,847	-	-	-	-	-	-
12 TOTAL CASH INFLOWS	1,021,731,107	300,400,325	1,322,131,432	74,480,478	2,113,293	76,593,771	89,549,649	217,189,059	306,738,708
				Total value according to NBG's methodology* (with limits)			Total value according to Basel methodology (with limits)		
13 Total HQLA				406,420,861	326,939,063	733,359,924	391,351,690	112,987,425	504,339,115
14 Net cash inflow				142,171,430	113,122,778	255,294,208	28,555,197	8,460,031	36,985,217
15 Liquidity coverage ratio (%)				285.87%	289.01%	287.26%	1370.51%	1340.50%	1363.62%

* Commercial banks are required to comply with the limits by coefficients calculated according to NBG's methodology. The numbers calculated within Basel framework are given for illustrative purposes.
** Instead of daily average, values are given for the last day of reporting period

Bank: JSC "Liberty Bank"
Date: 12/31/2017

Table 15 Counterparty credit risk

	a	b	c	d	e	f	g	h	i	j	k	l
	Nominal amount	Percentage	Exposure value	0%	20%	35%	50%	75%	100%	150%	250%	Counterparty Credit Risk Weighted Exposures
1	FX contracts	71,011,422	9,198,809	-	-	-	-	-	9,198,809	-	-	9,198,809
1.1	Maturity less than 1 year	1,348,050	26,961	-	-	-	-	-	26,961	-	-	26,961
1.2	Maturity from 1 year up to 2 years	-	-	-	-	-	-	-	-	-	-	-
1.3	Maturity from 2 years up to 3 years	6,225,788	498,063	-	-	-	-	-	498,063	-	-	498,063
1.4	Maturity from 3 years up to 4 years	6,915,898	760,749	-	-	-	-	-	760,749	-	-	760,749
1.5	Maturity from 4 years up to 5 years	56,521,686	7,913,036	-	-	-	-	-	7,913,036	-	-	7,913,036
1.6	Maturity over 5 years	-	-	-	-	-	-	-	-	-	-	-
2	Interest rate contracts	-	-	-	-	-	-	-	-	-	-	-
2.1	Maturity less than 1 year	-	0.5%	-	-	-	-	-	-	-	-	-
2.2	Maturity from 1 year up to 2 years	-	1.0%	-	-	-	-	-	-	-	-	-
2.3	Maturity from 2 years up to 3 years	-	2.0%	-	-	-	-	-	-	-	-	-
2.4	Maturity from 3 years up to 4 years	-	3.0%	-	-	-	-	-	-	-	-	-
2.5	Maturity from 4 years up to 5 years	-	4.0%	-	-	-	-	-	-	-	-	-
2.6	Maturity over 5 years	-	-	-	-	-	-	-	-	-	-	-
	Total	71,011,422	9,198,809	-	-	-	-	-	9,198,809	-	-	9,198,809