

Pillar 3 quarterly report		
1	Name of a bank	JSC "Liberty Bank"
2	Chairman of the Supervisory Board	Irakli Otar 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 NBG.

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Bank: JSC "Liberty Bank"
Date: 3/31/2019

Table 1 Key metrics

N		1Q 2019	4Q 2018	3Q 2018	2Q 2018	1Q 2018
	Regulatory capital (amounts, GEL)					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CET1)	212,028,492	210,609,648	199,455,264	191,790,224	176,315,806
2	Tier 1	216,593,876	215,175,032	204,020,648	196,355,608	182,454,870
3	Total regulatory capital	289,602,172	271,168,740	252,803,761	255,513,975	237,891,289
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	1,568,963,007	1,531,726,198	1,498,996,211	1,485,364,105	1,383,093,713
	Capital ratios as a percentage of RWA					
	<i>Based on Basel III framework</i>					
5	Common equity Tier 1 ratio >=9.03%	13.51%	13.75%	13.31%	12.91%	12.75%
6	Tier 1 ratio >=11%	13.80%	14.05%	13.61%	13.22%	13.19%
7	Total Regulatory Capital ratio >=17.76%	18.46%	17.70%	16.86%	17.20%	17.20%
	Income					
8	Total Interest Income /Average Annual Assets	13.96%	15.91%	16.13%	16.23%	16.17%
9	Total Interest Expense / Average Annual Assets	5.33%	6.29%	6.51%	6.60%	6.64%
10	Earnings from Operations / Average Annual Assets	3.58%	5.21%	4.99%	4.86%	3.96%
11	Net Interest Margin	8.63%	9.62%	9.61%	9.62%	9.53%
12	Return on Average Assets (ROAA)	0.85%	2.82%	2.62%	3.26%	3.32%
13	Return on Average Equity (ROAE)	5.70%	20.63%	19.57%	24.82%	25.69%
	Asset Quality					
14	Non Performed Loans / Total Loans	8.42%	8.61%	10.73%	11.58%	10.48%
15	LLR/Total Loans	9.45%	9.56%	11.51%	12.36%	11.46%
16	FX Loans/Total Loans	22.53%	21.92%	11.74%	5.66%	4.98%
17	FX Assets/Total Assets	25.37%	27.05%	21.49%	23.01%	19.47%
18	Loan Growth-YTD	11.71%	9.10%	16.02%	-4.01%	-4.10%
	Liquidity					
19	Liquid Assets/Total Assets	34.97%	35.78%	40.79%	27.90%	39.40%
20	FX Liabilities/Total Liabilities	31.09%	29.57%	24.29%	23.10%	25.25%
21	Current & Demand Deposits/Total Assets	45.24%	45.63%	45.15%	43.07%	39.53%
	Liquidity Coverage Ratio***					
22	Total HQLA	630,125,791	681,357,537	836,265,007	819,443,159	845,885,118
23	Net cash outflow	368,508,402	352,678,528	343,974,438	291,442,778	293,772,115
24	LCR ratio (%)	170.99%	193.20%	243.12%	281.17%	287.94%

*** 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 illustrative purposes.

Bank: JSC "Liberty Bank"
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Table 2 **Balance Sheet**

in Lari

N	Assets	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	106,978,759	46,941,808	153,920,567	99,749,061	40,841,387	140,590,448
2	Due from NBG	115,765,052	88,865,438	204,630,490	31,139,469	58,263,062	89,402,531
3	Due from Banks	561,960	75,313,092	75,875,052	113,122,887	197,667,268	310,790,155
4	Dealing Securities	-	-	-	-	-	-
5	Investment Securities	159,199,164	-	159,199,164	257,821,157	-	257,821,157
6.1	Loans	901,401,015	262,221,505	1,163,622,520	870,013,489	45,583,653	915,597,142
6.2	Less: Loan Loss Reserves	(101,368,815)	(8,558,537)	(109,927,352)	(101,332,454)	(3,617,252)	(104,949,706)
6	Net Loans	800,032,200	253,662,968	1,053,695,168	768,681,035	41,966,401	810,647,436
7	Accrued Interest and Dividends Receivable	11,945,525	2,264,528	14,210,053	12,481,556	287,595	12,769,151
8	Other Real Estate Owned & Repossessed Assets	66,770	-	66,770	99,417	-	99,417
9	Equity Investments	146,888	-	146,888	146,888	102,612	249,500
10	Fixed Assets and Intangible Assets	168,359,021	-	168,359,021	161,230,222	-	161,230,222
11	Other Assets	74,458,945	21,538,795	95,997,740	29,575,701	17,155,308	46,731,009
12	Total assets	1,437,514,284	488,586,629	1,926,100,913	1,474,047,393	356,283,633	1,830,331,026
	Liabilities						
13	Due to Banks	747,349	7,051,865	7,799,214	734,822	1,676,049	2,410,871
14	Current (Accounts) Deposits	465,946,958	147,258,809	613,205,767	387,942,465	143,980,117	531,922,582
15	Demand Deposits	179,549,302	78,521,379	258,070,681	133,794,152	57,815,133	191,609,285
16	Time Deposits	437,757,584	186,419,857	624,177,441	605,974,584	121,666,670	727,641,254
17	Own Debt Securities	-	-	-	-	2,239,356	2,239,356
18	Borrowings	-	-	-	-	-	-
19	Accrued Interest and Dividends Payable	4,222,735	1,051,290	5,274,025	4,792,659	860,461	5,653,120
20	Other Liabilities	39,592,418	34,915,815	74,508,233	38,670,570	7,816,786	46,487,356
21	Subordinated Debentures	5,437,000	56,131,990	61,568,990	15,809,500	65,163,764	80,973,264
22	Total liabilities	1,133,253,346	511,351,005	1,644,604,351	1,187,718,752	401,218,336	1,588,937,088
	Equity Capital						
23	Common Stock	54,628,743	-	54,628,743	54,628,743	-	54,628,743
24	Preferred Stock	61,391	-	61,391	61,391	-	61,391
25	Less: Repurchased Shares	(10,154,020)	-	(10,154,020)	(10,454,283)	-	(10,454,283)
26	Share Premium	39,651,986	-	39,651,986	39,952,249	-	39,952,249
27	General Reserves	1,694,028	-	1,694,028	1,694,028	-	1,694,028
28	Retained Earnings	167,114,341	-	167,114,341	126,533,643	-	126,533,643
29	Asset Revaluation Reserves	28,500,093	-	28,500,093	28,978,167	-	28,978,167
30	Total Equity Capital	281,496,562	-	281,496,562	241,393,938	-	241,393,938
31	Total liabilities and Equity Capital	1,414,749,908	511,351,005	1,926,100,913	1,429,112,690	401,218,336	1,830,331,026

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N	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	2,725,430	540,057	3,265,487	2,580,049	698,699	3,278,748
2	Interest Income from Loans	51,570,939	4,915,010	56,485,949	61,051,932	648,053	61,699,985
2.1	from the Interbank Loans	-	-	-	235,339	-	235,339
2.2	from the Retail or Service Sector Loans	975,168	2,348,943	3,324,111	4,117	5,099	9,216
2.3	from the Energy Sector Loans	-	-	-	-	-	-
2.4	from the Agriculture and Forestry Sector Loans	-	25,061	25,061	3,944	-	3,944
2.5	from the Construction Sector Loans	20,458	373,084	393,542	-	-	-
2.6	from the Mining and Mineral Processing Sector Loans	-	6,357	6,357	-	-	-
2.7	from the Transportation or Communications Sector Loans	242,784	-	242,784	-	-	-
2.8	from Individuals Loans	50,234,164	1,467,077	51,701,241	60,776,149	530,599	61,306,748
2.9	from Other Sectors Loans	98,365	694,488	792,853	32,383	112,355	144,738
3	Fees/penalties income from loans to customers	2,186,321	71,423	2,257,744	3,182,864	38,446	3,221,310
4	Interest and Discount Income from Securities	3,805,578	-	3,805,578	4,697,928	-	4,697,928
5	Other Interest Income	45,587	9,157	54,744	7,839	-	7,839
6	Total Interest Income	60,333,855	5,535,647	65,869,502	71,520,612	1,385,198	72,905,810
		Interest Expense					
7	Interest Paid on Demand Deposits	9,082,001	823,341	9,905,342	8,019,917	753,471	8,773,388
8	Interest Paid on Time Deposits	11,455,189	1,880,309	13,335,498	16,830,122	1,044,188	17,874,310
9	Interest Paid on Banks Deposits	6,075	23,757	29,832	1,468	1,192	2,660
10	Interest Paid on Own Debt Securities	157,740	1,144,114	1,301,854	727,332	2,550,408	3,277,740
11	Interest Paid on Other Borrowings	5,370	-	5,370	-	-	-
12	Other Interest Expenses	586,329	189	586,518	-	63	63
13	Total Interest Expense	21,292,704	3,871,710	25,164,414	25,578,839	4,349,322	29,928,161
14	Net Interest Income	39,041,151	1,663,937	40,705,088	45,941,773	(2,964,124)	42,977,649
		Non-Interest Income					
15	Net Fee and Commission Income	5,881,099	(355,438)	5,525,661	14,524,506	(235,010)	14,289,496
15.1	Fee and Commission Income	6,861,952	1,251,942	8,113,894	15,731,727	1,173,584	16,905,311
15.2	Fee and Commission Expense	980,853	1,607,380	2,588,233	1,207,221	1,408,594	2,615,815
16	Dividend Income	-	-	-	-	-	-
17	Gain (Loss) from Dealing Securities	-	-	-	-	-	-
18	Gain (Loss) from Investment Securities	7,421	9,967	17,388	(71,630)	(2,283)	(73,913)
19	Gain (Loss) from Foreign Exchange Trading	3,796,273	-	3,796,273	(3,327,855)	-	(3,327,855)
20	Gain (Loss) from Foreign Exchange Translation	(2,317,408)	-	(2,317,408)	3,246,421	-	3,246,421
21	Gain (Loss) on Sales of Fixed Assets	1,154	-	1,154	48,358	-	48,358
22	Non-Interest Income from other Banking Operations	370	-	370	330	-	330
23	Other Non-Interest Income	48,452	346,759	395,211	442,143	200,038	642,181
24	Total Non-Interest Income	7,417,361	1,288	7,418,649	14,862,273	(37,255)	14,825,018
		Non-Interest Expenses					
25	Non-Interest Expenses from other Banking Operations	726,613	290	726,903	682,731	-	682,731
26	Bank Development, Consultation and Marketing Expenses	1,006,621	467,431	1,474,052	1,296,997	168,408	1,465,405
27	Personnel Expenses	18,173,816	-	18,173,816	21,958,297	-	21,958,297
28	Operating Costs of Fixed Assets	304,861	-	304,861	386,483	-	386,483
29	Depreciation Expense	7,246,400	-	7,246,400	5,519,781	-	5,519,781
30	Other Non-Interest Expenses	5,604,218	19,701	5,623,919	6,677,155	23,188	6,700,343
31	Total Non-Interest Expenses	33,062,529	487,422	33,549,951	36,521,444	191,596	36,713,040
32	Net Non-Interest Income	(25,645,168)	(486,134)	(26,131,302)	(21,659,171)	(228,851)	(21,888,022)
33	Net Income before Provisions	13,395,983	1,177,803	14,573,786	24,282,602	(3,192,975)	21,089,627
34	Loan Loss Reserve	9,458,040	901,210	10,359,250	3,643,061	-	3,643,061
35	Provision for Possible Losses on Investments and Securities	104,000	-	104,000	1	-	1
36	Provision for Possible Losses on Other Assets	40,444	83,686	124,130	(162,645)	-	(162,645)
37	Total Provisions for Possible Losses	9,602,484	984,896	10,587,380	3,480,417	-	3,480,417
38	Net Income before Taxes and Extraordinary Items	3,793,499	192,907	3,986,406	20,802,185	(3,192,975)	17,609,210
39	Taxation	-	-	-	2,641,514	-	2,641,514
40	Net Income after Taxation	3,793,499	192,907	3,986,406	18,160,671	(3,192,975)	14,967,696
41	Extraordinary Items	-	-	-	-	-	-
42	Net Income	3,793,499	192,907	3,986,406	18,160,671	(3,192,975)	14,967,696

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	46,473,854	32,643,265	79,117,119	31,285,279	1,984,455	33,269,734
1.1	Guarantees Issued	6,473,194	1,615,977	8,089,171	870,649	7,243	877,892
1.2	Letters of credit Issued	-	-	-	-	-	-
1.3	Undrawn loan commitments	39,800,660	30,938,137	70,738,797	30,214,630	1,977,212	32,191,842
1.4	Other Contingent Liabilities	200,000	89,151	289,151	200,000	-	200,000
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	726,018,647	1,513,385,418	2,239,404,065	-	133,893	133,893
4.1	Surety, joint liability	-	-	-	-	-	-
4.2	Guarantees	726,018,647	1,513,385,418	2,239,404,065	-	133,893	133,893
5	Assets pledged as security for receivables of the bank	171,791,256	1,223,109,584	1,394,900,840	922,065,491	522,198,984	1,444,264,475
5.1	Cash	15,295,651	9,425,272	24,720,923	32,228,484	5,195,535	37,424,019
5.2	Precious metals and stones	36,453,141	86,046,305	122,499,446	-	66,460,396	66,460,396
5.3	Real Estate:	323,246	722,442,670	722,765,916	79,247	178,655,856	178,735,103
5.3.1	Residential Property	323,246	537,879,611	538,202,857	79,247	130,241,305	130,320,552
5.3.2	Commercial Property	-	119,635,125	119,635,125	-	36,409,888	36,409,888
5.3.3	Complex Real Estate	-	35,677,201	35,677,201	-	520,306	520,306
5.3.4	Land Parcel	-	23,789,756	23,789,756	-	7,092,752	7,092,752
5.3.5	Other	-	5,460,977	5,460,977	-	4,391,605	4,391,605
5.4	Movable Property	131,766	142,604,803	142,736,569	-	109,514,021	109,514,021
5.5	Shares Pledged	-	48,056,100	48,056,100	-	-	-
5.6	Securities	92,000,000	153,409,803	245,409,803	-	-	-
5.7	Other	27,587,452	61,124,631	88,712,083	889,757,760	162,373,176	1,052,130,936
6	Derivatives	142,168,790	285,458,077	427,626,867	69,663,372	49,495,508	119,158,880
6.1	Receivables through FX contracts (except options)	40,131,513	150,184,836	190,316,349	-	47,593,708	47,593,708
6.2	Payables through FX contracts (except options)	72,037,277	135,273,241	207,310,518	69,663,372	1,901,800	71,565,172
6.3	Principal of interest rate contracts (except options)	-	-	-	-	-	-
6.4	Options sold	-	-	-	-	-	-
6.5	Options purchased	30,000,000	-	30,000,000	-	-	-
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	72,815,146	961,531	73,776,676	32,480,412	824,281	33,304,694
7.1	Principal of receivables derecognized during last 3 month	115,222	-	115,222	5,241,988	81,295	5,323,283
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)	72,815,146	961,531	73,776,676	32,480,412	824,281	33,304,694
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	9,409,854	42,033,609	51,443,463	9,958,789	22,614,902	32,573,690
8.1	Through indefinit term agreement	-	-	-	-	-	-
8.2	Within one year	2,218,751	8,188,996	10,407,748	2,337,703	4,618,125	6,955,827
8.3	From 1 to 2 years	1,306,098	7,143,465	8,449,563	1,977,133	4,477,278	6,454,411
8.4	From 2 to 3 years	1,249,760	6,393,965	7,643,725	1,121,048	3,649,779	4,770,827
8.5	From 3 to 4 years	1,178,174	5,562,327	6,740,501	1,071,260	2,978,866	4,050,126
8.6	From 4 to 5 years	1,016,724	4,090,989	5,107,713	999,674	2,338,805	3,338,479
8.7	More than 5 years	2,440,347	10,653,867	13,094,213	2,451,971	4,552,049	7,004,020
9	Capital expenditure commitment	2,628,331	5,964,964	8,593,295	51,509	1,754,447	1,805,956

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Table 5

Risk Weighted Assets

in Lari

N		1Q 2019	4Q 2018
1	Risk Weighted Assets for Credit Risk	1,178,422,418	1,142,328,947
1.1	Balance sheet items	1,150,761,041	1,120,058,891
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	-	-
1.2	Off-balance sheet items	13,515,049	11,193,695
1.3	Counterparty credit risk	14,146,328	11,076,361
2	Risk Weighted Assets for Market Risk	1,674,924	531,586
3	Risk Weighted Assets for Operational Risk	388,865,665	388,865,665
4	Total Risk Weighted Assets	1,568,963,007	1,531,726,198

Bank: JSC "Liberty Bank"

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

Members of Supervisory Board	
1	Irakli Otar Rukhadze
2	David Shonia
3	Mamuka Tsereteli
Members of Board of Directors	
1	George Kalandarishvili
2	Levan Lekishvili
3	Levan Tkheldidze
4	Mamuka Kvaratskhelia
5	David Verulashvili
List of Shareholders owning 1% and more of issued capital, indicating Shares	
1	Georgian Financial Group B.V. 75.00%
2	JSC "Heritage Securities" (Nominal owner) 18.01%
3	JSC "GALT & TAGGART" (Nominal owner) 4.25%
4	JSC "Georgian Central Securities Depository" (Nominal owner) 1.21%
5	Other shareholders 1.53%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares	
1	Irakli Otar Rukhadze 25.01%
2	Benjamin Albert Marson 25.00%
3	Igor Alexeev 25.00%

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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	
			Not subject to capital requirements or subject to deduction from capital	Subject to credit risk weighting
1	Cash	153,920,567	-	153,920,567
2	Due from NBG	204,630,490	-	204,630,490
3	Due from Banks	75,875,052	-	75,875,052
4	Dealing Securities	-	-	-
5	Investment Securities	159,199,164	-	159,199,164
6.1	Loans	1,163,622,520	-	1,163,622,520
6.2	Less: Loan Loss Reserves	(109,927,352)	-	(109,927,352)
6	Net Loans	1,053,695,168	-	1,053,695,168
7	Accrued Interest and Dividends Receivable	14,210,053	-	14,210,053
8	Other Real Estate Owned & Repossessed Assets	66,770	-	66,770
9	Equity Investments	146,888	146,888	-
10	Fixed Assets and Intangible Assets	168,359,021	33,887,242	134,471,779
11	Other Assets	95,997,740	-	95,997,740
	Total exposures subject to credit risk weighting before adjustments	1,926,100,913	34,034,130	1,892,066,783

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Table 8 **Differences between carrying values per standardized balance sheet used for regulatory reporting purposes and the exposure amount** *in Lari*

1	Total carrying value of balance sheet items subject to credit risk weighting before adjustments	1,892,066,783
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	78,827,968
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	318,387,372
3	Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes	2,289,282,122
4	Effect of provisioning rules used for capital adequacy purposes	18,807,122
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	(59,485,392)
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	(304,241,044)
6	Effect of other adjustments	-
7	Total exposures subject to credit risk weighting	1,944,362,809

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Table 9 Regulatory capital

N		in Lari
1	Common Equity Tier 1 capital before regulatory adjustments	276,931,178
2	Common shares that comply with the criteria for Common Equity Tier 1	44,490,460
3	Stock surplus (share premium) of common share that meets the criteria of Common Equity Tier 1	35,132,256
4	Accumulated other comprehensive income	28,500,093
5	Other disclosed reserves	1,694,028
6	Retained earnings (loss)	167,114,341
7	Regulatory Adjustments of Common Equity Tier 1 capital	64,902,686
8	Revaluation reserves on assets	28,500,093
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	2,368,463
10	Intangible assets	33,887,242
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	146,888
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	212,028,492
24	Additional tier 1 capital before regulatory adjustments	4,565,384
25	Instruments that comply with the criteria for Additional tier 1 capital	45,654
26	Including: instruments classified as equity under the relevant accounting standards	45,654
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	4,519,730
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	4,565,384
36	Tier 2 capital before regulatory adjustments	73,008,296
37	Instruments that comply with the criteria for Tier 2 capital	58,278,016
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	14,730,280
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	73,008,296

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Table 9.1 **Capital Adequacy Requirements**

Minimum Requirements		Ratios	Amounts (GEL)
1	Pillar 1 Requirements		
1.1	Minimum CET1 Requirement	4.50%	70,603,335
1.2	Minimum Tier 1 Requirement	6.00%	94,137,780
1.3	Minimum Regulatory Capital Requirement	8.00%	125,517,041
2	Combined Buffer		
2.1	Capital Conservation Buffer	2.50%	39,224,075
2.2	Countercyclical Buffer	0.00%	-
2.3	Systemic Risk Buffer	0.60%	9,413,778
3	Pillar 2 Requirements		
3.1	CET1 Pillar 2 Requirement	1.43%	22,359,556
3.2	Tier 1 Pillar2 Requirement	1.90%	29,867,096
3.3	Regulatory capital Pillar 2 Requirement	6.66%	104,492,681
	Total Requirements	Ratios	Amounts (GEL)
4	CET1	9.03%	141,600,744
5	Tier 1	11.00%	172,642,730
6	Total regulatory Capital	17.76%	278,647,574

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In Lari

Table 10 Reconciliation of balance sheet to regulatory capital		Carrying values as reported in published stand-alone financial statements per local accounting rules	linkage to capital table
N	On-balance sheet items per standardized regulatory report		
1	Cash	153,920,567	
2	Due from NBG	204,630,490	
3	Due from Banks	75,875,052	
4	Dealing Securities	-	
5	Investment Securities	159,199,164	
6.1	Loans	1,163,622,520	
6.2	Less: Loan Loss Reserves	(109,927,352)	
6.2.1	of which loan loss general reserves	14,730,280	table 9 (Capital), N39
6	Net Loans	1,053,695,168	
7	Accrued Interest and Dividends Receivable	14,210,053	
8	Other Real Estate Owned & Repossessed Assets	66,770	
9	Equity Investments	146,888	
9.1	Of which above 10% equity holdings in financial institutions	146,888	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	168,359,021	
10.1	Of which intangible assets	33,887,242	table 9 (Capital), N10
11	Other Assets	95,997,740	
12	Total assets	1,926,100,913	
13	Due to Banks	7,799,214	
14	Current (Accounts) Deposits	613,205,767	
15	Demand Deposits	258,070,681	
16	Time Deposits	624,177,441	
17	Own Debt Securities	-	
18	Borrowings	-	
19	Accrued Interest and Dividends Payable	5,274,025	
20	Other Liabilities	74,508,233	
20.1	of which off-balance general reserves	(52,863)	
21	Subordinated Debentures	61,568,990	
21.1	Of which tier II capital qualifying instruments	58,278,016	table 9 (Capital), N37
22	Total liabilities	1,644,604,351	
23	Common Stock	54,628,743	table 9 (Capital), N2
24	Preferred Stock	61,391	table 9 (Capital), N26
25	Less: Repurchased Shares	(10,154,020)	table 9 (Capital), N2 & N26
26	Share Premium	39,651,986	table 9 (Capital), N3 & N28
27	General Reserves	1,694,028	table 9 (Capital), N5
28	Retained Earnings	167,114,341	table 9 (Capital), N6
29	Asset Revaluation Reserves	28,500,093	table 9 (Capital), N4 & N8
30	Total Equity Capital	281,496,562	

Credit Risk Weighted Exposures
(On-balance items and off-balance items after credit conversion factor)

Table 11

Risk weight	0%		20%		35%		50%		75%		100%		150%		200%		Risk Weighted Exposures before Credit Risk Mitigation
	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			
Exposure classes																	
1 Claims on central banks or similar institutions or other banks																	68,876,827
2 Claims on government entities or financial corporations or local authorities	293,026,176	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Claims on government entities or financial corporations or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Claims on government entities or financial corporations or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Claims on government entities or international organisations/institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Claims on government entities or international banks	87,660,000	-	74,770,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Claims on government entities or international banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Claims on government entities or international banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Claims on government entities secured by securities or residential property	-	-	-	-	36,478,826	-	-	-	560,808,207	13,261,743	-	-	-	-	-	-	44,882,588
10 Other loans	-	-	-	-	-	-	-	-	-	-	7,892,038	-	266,673	-	-	-	7,548,638
11 Bank liabilities in regulatory liquid assets categories	-	-	-	-	-	-	169,225	-	-	-	18,699,090	-	31,636,484	-	1,738,608	-	169,714,138
12 Bank loans eligible for collateral-based risk reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Claims in the form of collective investment undertakings (CIU)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Total loans	169,226,746	-	1,547,976	-	36,478,826	-	-	-	560,808,207	13,261,743	186,452,318	6,989,813	29,365,208	-	1,738,608	-	136,671,963
15 Total	569,673,862	-	75,246,000	-	36,478,826	-	-	-	560,808,207	13,261,743	186,452,318	6,989,813	29,365,208	-	1,738,608	-	1,482,300,899

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Table 13 Standardized approach - Effect of credit risk mitigation

	a	b		c	d	e	f
		Off-balance sheet exposures	Off-balance sheet exposures - Nominal value				
Asset Classes	On-balance sheet exposures	Off-balance sheet exposures - Nominal value	Off-balance sheet exposures post CCF	RWA before Credit Risk Mitigation	RWA post Credit Risk Mitigation	RWA Density f=e/(a+c)	
1) Claims or contingent claims on central governments or central banks	371,902,003	-	-	-	88,876,827	88,876,827	23.90%
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	169,028,129	-	-	-	21,430,144	21,430,144	12.68%
7) Claims or contingent claims on corporates	328,865,414	49,335,200	6,060,833	331,340,799	315,542,554	94.21%	
8) Retail claims or contingent retail claims	562,582,247	29,492,768	13,281,743	433,454,791	431,615,806	74.95%	
9) Claims or contingent claims secured by mortgages on residential property	38,478,829	-	-	13,467,590	13,467,590	35.00%	
10) Past due items	4,988,831	-	-	5,346,005	5,346,005	107.16%	
11) Items belonging to regulatory high-risk categories	104,882,148	-	-	149,714,782	149,325,212	142.37%	
12) Short-term claims on commercial banks and corporates	-	-	-	-	-	-	nmf
13) Claims in the form of collective investment undertakings ("CIU")	-	-	-	-	-	-	nmf
14) Other items	330,146,212	-	-	138,671,953	138,671,953	42.00%	
Total	1,910,873,813	78,827,968	19,342,576	1,182,302,890	1,164,276,090	60%	

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Table 11 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				444,123,989	186,001,801	630,125,791	369,552,668	122,391,758	491,944,426
Cash outflows									
2 Retail deposits	665,294,458	270,388,975	935,683,433	108,283,087	69,823,516	178,106,603	22,886,081	12,151,667	35,037,748
3 Unsecured wholesale funding	363,709,752	179,454,939	543,164,691	166,007,967	49,426,822	215,434,789	130,353,609	40,078,160	170,431,768
4 Secured wholesale funding			0			0			0
5 Outflows related to off-balance sheet obligations and net short position of derivative exposures	69,663,372	0	69,663,372	0	0	0	0	0	0
6 Other contractual funding obligations	49,673,754	31,613,662	81,287,416	10,124,555	8,350,335	18,474,890	2,673,642	3,027,570	5,701,212
7 Other contingent funding obligations	55,870,440	19,860,763	75,731,203	27,206,026	6,713,581	33,919,606	27,206,026	6,703,094	33,909,119
8 TOTAL CASH OUTFLOWS	1,204,210,776	501,318,338	1,705,529,115	311,621,634	134,314,253	445,935,887	183,119,357	61,960,491	245,079,848
Cash inflows									
9 Secured lending (eg reverse repos)	3,863,862	0	3,863,862	0	0	0	0	0	0
10 Inflows from fully performing exposures	611,444,239	271,937,417	883,381,655	66,954,267	10,473,217	77,427,485	141,525,589	74,429,637	215,955,226
11 Other cash inflows	19,887,195	52,989,995	72,877,190	0	0	0	0	0	0
12 TOTAL CASH INFLOWS	635,195,296	324,927,411	960,122,708	66,954,267	10,473,217	77,427,485	141,525,589	74,429,637	215,955,226
				Total value according to NBG's methodology* (with limits)			Total value according to Basel methodology (with limits)		
13 Total HQLA				444,123,989	186,001,801	630,125,791	369,552,668	122,391,758	491,944,426
14 Net cash outflow				244,667,366	123,841,036	368,508,403	45,779,839	15,490,123	61,269,962
15 Liquidity coverage ratio (%)				181.52%	150.19%	170.99%	807.24%	790.13%	802.91%

* 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.

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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		14,146,328	-	-	-	-	-	14,146,328	-	-	14,146,328
1.1	Maturity less than 1 year	2.0%	4,974,480	-	-	-	-	-	4,974,480	-	-	4,974,480
1.2	Maturity from 1 year up to 2 years	5.0%	0	-	-	-	-	-	-	-	-	-
1.3	Maturity from 2 years up to 3 years	8.0%	498,063	-	-	-	-	-	498,063	-	-	498,063
1.4	Maturity from 3 years up to 4 years	11.0%	760,749	-	-	-	-	-	760,749	-	-	760,749
1.5	Maturity from 4 years up to 5 years	14.0%	7,913,036	-	-	-	-	-	7,913,036	-	-	7,913,036
1.6	Maturity over 5 years			-	-	-	-	-	-	-	-	-
2	Interest rate contracts		0	-	-	-	-	-	-	-	-	-
2.1	Maturity less than 1 year	0.5%	0	-	-	-	-	-	-	-	-	-
2.2	Maturity from 1 year up to 2 years	1.0%	0	-	-	-	-	-	-	-	-	-
2.3	Maturity from 2 years up to 3 years	2.0%	0	-	-	-	-	-	-	-	-	-
2.4	Maturity from 3 years up to 4 years	3.0%	0	-	-	-	-	-	-	-	-	-
2.5	Maturity from 4 years up to 5 years	4.0%	0	-	-	-	-	-	-	-	-	-
2.6	Maturity over 5 years			-	-	-	-	-	-	-	-	-
	Total		14,146,328	-	-	-	-	-	14,146,328	-	-	14,146,328

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Table 15.1 Leverage Ratio

On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	1,944,907,943
2	(Asset amounts deducted in determining Tier 1 capital)	(34,034,130)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	1,910,873,813
Derivative exposures		
4	Replacement cost associated with <i>all</i> derivatives transactions (ie net of eligible cash variation margin)	-
5	Add-on amounts for PFE associated with <i>all</i> derivatives transactions (mark-to-market method)	-
EU-5a	Exposure determined under Original Exposure Method	14,146,328
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	Total derivative exposures (sum of lines 4 to 10)	14,146,328
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14	Counterparty credit risk exposure for SFT assets	-
EU-14a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Article 429b (4) and 222 of Regulation (EU) No 575/2013	-
15	Agent transaction exposures	-
EU-15a	(Exempted CCP leg of client-cleared SFT exposure)	-
16	Total securities financing transaction exposures (sum of lines 12 to 15a)	-
Other off-balance sheet exposures		
17	Off-balance sheet exposures at gross notional amount	78,827,968
18	(Adjustments for conversion to credit equivalent amounts)	(55,379,221)
19	Other off-balance sheet exposures (sum of lines 17 to 18)	23,448,747
Exempted exposures in accordance with CRR Article 429 (7) and (14) (on and off balance sheet)		
EU-19a	(Exemption of intragroup exposures (solo basis) in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet))	
EU-19b	(Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet))	
Capital and total exposures		
20	Tier 1 capital	216,593,876
21	Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	1,948,468,888
Leverage ratio		
22	Leverage ratio	11.12%
Choice on transitional arrangements and amount of derecognised fiduciary items		
EU-23	Choice on transitional arrangements for the definition of the capital measure	
EU-24	Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) NO 575/2013	