

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	Vasil Khodeli
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.

Table of contents	
1	Key ratios
2	Balance Sheet
3	Income statement
4	Off-balance sheet
5	Risk-Weighted Assets (RWA)
6	Information about supervisory board, senior management and shareholders
7	Linkages between financial statement assets and balance sheet items subject to credit risk weighting
8	Differences between carrying values of balance sheet items and exposure amounts subject to credit risk weighting
9	Regulatory Capital
9.1	Capital Adequacy Requirements
10	Reconciliation of regulatory capital to balance sheet
11	Credit risk weighted exposures
12	Credit risk mitigation
13	Standardized approach - effect of credit risk mitigation
14	Liquidity Coverage Ratio
15	Counterparty credit risk
15.1	Leverage Ratio

Bank: JSC "Liberty Bank"
Date: 31.12.2019

Table 1 Key metrics

N		4Q 2019	3Q 2019	2Q 2019	1Q 2019	4Q 2018
	Regulatory capital (amounts, GEL)					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CET1)	215,359,099	211,400,188	205,277,083	212,028,492	210,609,648
2	Tier 1	219,924,483	215,965,572	209,842,467	216,593,876	215,175,032
3	Total regulatory capital	330,141,000	329,415,148	301,526,892	289,602,172	271,168,740
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	1,802,789,012	1,740,960,645	1,599,776,891	1,568,963,007	1,531,726,198
	Capital ratios as a percentage of RWA					
	<i>Based on Basel III framework</i>					
5	Common equity Tier 1 ratio >=9.31%	11.95%	12.14%	12.83%	13.51%	13.75%
6	Tier 1 ratio >=11.28%	12.20%	12.40%	13.12%	13.80%	14.05%
7	Total Regulatory Capital ratio >=18.02%	18.31%	18.92%	18.85%	18.46%	17.70%
	Income					
8	Total Interest Income /Average Annual Assets	13.43%	13.64%	13.94%	13.96%	15.91%
9	Total Interest Expense / Average Annual Assets	5.25%	5.27%	5.29%	5.33%	6.29%
10	Earnings from Operations / Average Annual Assets	2.83%	3.13%	2.74%	3.58%	5.21%
11	Net Interest Margin	8.19%	8.37%	8.65%	8.63%	9.62%
12	Return on Average Assets (ROAA)	1.35%	1.11%	0.55%	0.85%	2.82%
13	Return on Average Equity (ROAE)	9.34%	7.60%	3.70%	5.70%	20.63%
	Asset Quality					
14	Non Performed Loans / Total Loans	5.04%	5.62%	5.38%	8.42%	8.61%
15	LLR/Total Loans	6.63%	7.30%	6.73%	9.45%	9.56%
16	FX Loans/Total Loans	24.59%	25.87%	22.32%	22.53%	21.92%
17	FX Assets/Total Assets	31.23%	28.54%	27.45%	25.37%	27.05%
18	Loan Growth-YTD	19.13%	15.38%	19.57%	11.71%	9.10%
	Liquidity					
19	Liquid Assets/Total Assets	26.47%	31.05%	34.76%	34.97%	35.78%
20	FX Liabilities/Total Liabilities	34.31%	34.38%	32.98%	31.09%	29.57%
21	Current & Demand Deposits/Total Assets	41.36%	43.82%	44.89%	45.24%	45.63%
	Liquidity Coverage Ratio***					
22	Total HQLA	724,438,720	717,682,866	603,901,179	630,125,791	681,357,537
23	Net cash outflow	442,132,789	404,037,133	367,984,772	368,508,402	352,678,528
24	LCR ratio (%)	163.85%	177.63%	164.11%	170.99%	193.20%

*** 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"
Date: 31.12.2019

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

N	Assets	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	149,070,012	66,760,742	215,830,754	141,656,582	71,029,054	212,685,636
2	Due from NBG	27,820,890	113,971,490	141,792,380	76,538,847	86,000,870	162,539,717
3	Due from Banks	560,383	175,342,532	175,902,915	556,739	101,830,098	102,386,837
4	Dealing Securities	-	-	-	-	-	-
5	Investment Securities	142,840,525	-	142,840,525	192,727,243	-	192,727,243
6.1	Loans	935,699,443	305,136,645	1,240,836,088	813,290,510	228,323,833	1,041,614,343
6.2	Less: Loan Loss Reserves	(72,470,183)	(9,790,475)	(82,260,658)	(92,324,105)	(7,244,216)	(99,568,321)
6	Net Loans	863,229,260	295,346,170	1,158,575,430	720,966,405	221,079,617	942,046,022
7	Accrued Interest and Dividends Receivable	14,401,454	1,513,862	15,915,316	14,288,235	1,169,795	15,458,030
8	Other Real Estate Owned & Repossessed Assets	47,775	-	47,775	63,136	-	63,136
9	Equity Investments	106,733	-	106,733	146,888	113,756	260,644
10	Fixed Assets and Intangible Assets	207,676,100	-	207,676,100	163,515,721	-	163,515,721
11	Other Assets	68,847,921	16,656,863	85,504,784	37,336,180	18,499,148	55,835,328
12	Total assets	1,474,601,053	669,591,659	2,144,192,712	1,347,795,976	499,722,338	1,847,518,314
	Liabilities						
13	Due to Banks	27,937,649	8,112,433	36,050,082	800,744	7,055,626	7,856,370
14	Current (Accounts) Deposits	443,261,567	153,929,604	597,191,171	449,682,543	148,416,388	598,098,931
15	Demand Deposits	186,107,248	103,464,044	289,571,292	168,325,848	76,570,387	244,896,235
16	Time Deposits	442,356,595	228,690,225	671,046,820	455,593,599	180,252,323	635,845,922
17	Own Debt Securities	-	-	-	-	-	-
18	Borrowings	60,000,000	-	60,000,000	-	-	-
19	Accrued Interest and Dividends Payable	5,399,496	1,707,628	7,107,124	4,614,075	1,058,887	5,672,962
20	Other Liabilities	37,660,172	42,359,667	80,019,839	26,804,515	2,824,651	29,629,166
21	Subordinated Debentures	6,437,000	93,203,227	99,640,227	-	48,008,568	48,008,568
22	Total liabilities	1,209,159,727	631,466,827	1,840,626,554	1,105,821,324	464,186,830	1,570,008,154
	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)	(10,154,020)	-	(10,154,020)
26	Share Premium	39,651,986	-	39,651,986	39,651,986	-	39,651,986
27	General Reserves	1,694,028	-	1,694,028	1,694,028	-	1,694,028
28	Retained Earnings	189,508,428	-	189,508,428	163,127,939	-	163,127,939
29	Asset Revaluation Reserves	28,175,602	-	28,175,602	28,500,093	-	28,500,093
30	Total Equity Capital	303,566,158	-	303,566,158	277,510,160	-	277,510,160
31	Total liabilities and Equity Capital	1,512,725,885	631,466,827	2,144,192,712	1,383,331,484	464,186,830	1,847,518,314

Bank: JSC "Liberty Bank"
Date: 31.12.2019

Table 3 **Income statement** *in Lari*

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	10,401,169	2,447,035	12,848,204	12,180,052	3,062,231	15,242,283
2	Interest Income from Loans	209,095,642	21,592,488	230,688,130	236,902,951	7,768,160	244,671,111
2.1	from the Interbank Loans	373,448	-	373,448	439,024	-	439,024
2.2	from the Retail or Service Sector Loans	6,790,416	8,607,358	15,397,774	903,380	255,390	1,158,770
2.3	from the Energy Sector Loans	555,148	-	555,148	-	-	-
2.4	from the Agriculture and Forestry Sector Loans	66,582	113,370	179,952	15,217	-	15,217
2.5	from the Construction Sector Loans	21,384	2,629,622	2,651,006	1,017	-	1,017
2.6	from the Mining and Mineral Processing Sector Loans	250,650	50,155	300,806	-	-	-
2.7	from the Transportation or Communications Sector Loans	6,866	0	6,866	-	-	-
2.8	from Individuals Loans	200,101,125	6,889,967	206,991,092	234,542,863	3,130,464	237,673,327
2.9	from Other Sectors Loans	930,023	3,302,016	4,232,039	1,001,450	4,382,306	5,383,756
3	Fees/penalties income from loans to customers	8,366,903	1,104,064	9,470,967	12,979,313	118,095	13,097,408
4	Interest and Discount Income from Securities	13,177,569	-	13,177,569	19,866,470	-	19,866,470
5	Other Interest Income	163,294	61,580	224,874	97,613	4,084	101,697
6	Total Interest Income	241,204,577	25,205,167	266,409,744	282,026,399	10,952,570	292,978,969
		Interest Expense					
7	Interest Paid on Demand Deposits	37,951,801	3,206,392	41,158,193	36,781,149	3,032,673	39,813,822
8	Interest Paid on Time Deposits	43,933,010	8,538,799	52,471,809	63,102,850	5,113,408	68,216,258
9	Interest Paid on Banks Deposits	128,613	203,050	331,663	8,194	3,032	11,226
10	Interest Paid on Own Debt Securities	980,899	6,473,078	7,453,977	1,660,003	6,124,626	7,784,629
11	Interest Paid on Other Borrowings	341,426	-	341,426	-	-	-
12	Other Interest Expenses	387,522	1,880,068	2,267,590	-	305	305
13	Total Interest Expense	83,723,271	20,301,387	104,024,658	101,552,196	14,274,044	115,826,240
14	Net Interest Income	157,481,306	4,903,780	162,385,086	180,474,203	(3,321,474)	177,152,729
		Non-Interest Income					
15	Net Fee and Commission Income	25,031,307	(2,805,224)	22,226,083	38,165,903	(1,118,977)	37,046,926
15.1	Fee and Commission Income	29,064,124	5,430,922	34,495,046	42,217,436	4,913,112	47,130,548
15.2	Fee and Commission Expense	4,032,817	8,236,146	12,268,963	4,051,533	6,032,089	10,083,622
16	Dividend Income	644,108	-	644,108	-	-	-
17	Gain (Loss) from Dealing Securities	-	-	-	-	-	-
18	Gain (Loss) from Investment Securities	184,105	36,556	220,661	(632,207)	24,089	(608,118)
19	Gain (Loss) from Foreign Exchange Trading	15,178,278	-	15,178,278	5,667,815	-	5,667,815
20	Gain (Loss) from Foreign Exchange Translation	(4,957,200)	-	(4,957,200)	(695,175)	-	(695,175)
21	Gain (Loss) on Sales of Fixed Assets	315,197	-	315,197	183,487	-	183,487
22	Non-Interest Income from other Banking Operations	45,786	3,599	49,385	1,280	-	1,280
23	Other Non-Interest Income	1,379,100	1,125,260	2,504,360	3,520,997	669,382	4,190,379
24	Total Non-Interest Income	37,820,681	(1,639,809)	36,180,872	46,212,100	(425,506)	45,786,594
		Non-Interest Expenses					
25	Non-Interest Expenses from other Banking Operations	2,858,018	1,887	2,859,905	2,753,626	308	2,753,934
26	Bank Development, Consultation and Marketing Expenses	7,214,120	1,374,071	8,588,191	5,167,336	893,527	6,060,863
27	Personnel Expenses	77,350,895	-	77,350,895	66,782,087	-	66,782,087
28	Operating Costs of Fixed Assets	1,674,918	-	1,674,918	1,613,130	-	1,613,130
29	Depreciation Expense	29,839,840	-	29,839,840	21,722,702	-	21,722,702
30	Other Non-Interest Expenses	26,481,229	166,618	26,647,847	29,045,610	94,856	29,140,466
31	Total Non-Interest Expenses	145,419,020	1,542,576	146,961,596	127,084,491	988,691	128,073,182
32	Net Non-Interest Income	(107,598,339)	(3,182,385)	(110,780,724)	(80,872,391)	(1,414,197)	(82,286,588)
33	Net Income before Provisions	49,882,967	1,721,395	51,604,362	99,601,812	(4,735,671)	94,866,141
34	Loan Loss Reserve	22,129,001	1,130,770	23,259,771	37,712,183	-	37,712,183
35	Provision for Possible Losses on Investments and Securities	104,000	-	104,000	1	-	1
36	Provision for Possible Losses on Other Assets	551,993	96,105	648,098	(282,637)	-	(282,637)
37	Total Provisions for Possible Losses	22,784,994	1,226,875	24,011,869	37,429,547	-	37,429,547
38	Net Income before Taxes and Extraordinary Items	27,097,973	494,520	27,592,493	62,172,265	(4,735,671)	57,436,594
39	Taxation	760,376	-	760,376	5,435,166	-	5,435,166
40	Net Income after Taxation	26,337,597	494,520	26,832,117	56,737,099	(4,735,671)	52,001,428
41	Extraordinary Items	-	-	-	-	-	-
42	Net Income	26,337,597	494,520	26,832,117	56,737,099	(4,735,671)	52,001,428

Bank: JSC "Liberty Bank"
Date: 31.12.2019

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	51,626,192	68,804,449	120,430,641	48,146,211	35,544,800	83,691,011
1.1	Guarantees Issued	5,947,533	12,000,052	17,947,585	7,227,052	811,510	8,038,562
1.2	Letters of credit Issued	8,574,362	-	8,574,362	-	-	-
1.3	Undrawn loan commitments	36,904,297	56,709,406	93,613,703	40,719,159	34,644,629	75,363,788
1.4	Other Contingent Liabilities	200,000	94,991	294,991	200,000	88,661	288,661
2	Guarantees received as security for liabilities of the bank	-	-	-	-	-	-
3	Assets pledged as security for liabilities of the bank	66,465,000	-	66,465,000	-	-	-
3.1	Financial assets of the bank	66,465,000	-	66,465,000	-	-	-
3.2	Non-financial assets of the bank	-	-	-	-	-	-
4	Guarantees received as security for receivables of the bank	556,411,384	2,138,938,946	2,695,350,330	787,792,434	1,158,509,299	1,946,301,733
4.1	Surety, joint liability	-	-	-	-	-	-
4.2	Guarantees	556,411,384	2,138,938,946	2,695,350,330	787,792,434	1,158,509,299	1,946,301,733
5	Assets pledged as security for receivables of the bank	140,348,714	2,084,344,274	2,224,692,989	82,931,131	1,027,431,635	1,110,362,766
5.1	Cash	6,945,372	22,202,756	29,148,128	21,427,694	7,267,465	28,695,159
5.2	Precious metals and stones	78,939,393	93,537,413	172,476,806	24,411,000	79,509,551	103,920,551
5.3	Real Estate:	205,246	1,182,772,505	1,182,977,751	339,727	631,571,898	631,911,625
5.3.1	Residential Property	42,531	410,935,794	410,978,325	134,727	351,547,537	351,682,264
5.3.2	Commercial Property	11,000	143,431,537	143,442,537	-	99,639,492	99,639,492
5.3.3	Complex Real Estate	-	37,847,905	37,847,905	-	22,451,323	22,451,323
5.3.4	Land Parcel	4,000	48,368,699	48,372,699	-	14,626,080	14,626,080
5.3.5	Other	147,715	542,188,570	542,336,285	205,000	143,307,466	143,512,466
5.4	Movable Property	5,513,505	151,979,963	157,493,468	229,666	127,875,123	128,104,789
5.5	Shares Pledged	10,000,000	181,623,850	191,623,850	-	26,766,000	26,766,000
5.6	Securities	-	186,089,825	186,089,825	-	152,566,203	152,566,203
5.7	Other	38,745,198	266,137,963	304,883,161	36,523,044	1,875,395	38,398,439
6	Derivatives	155,752,749	372,043,514	527,796,262	164,167,884	225,612,148	389,780,032
6.1	Receivables through FX contracts (except options)	89,281,165	168,216,657	257,497,822	94,504,512	91,374,305	185,878,817
6.2	Payables through FX contracts (except options)	66,471,584	203,826,856	270,298,440	69,663,372	134,237,843	203,901,215
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	110,090,825	2,029,317	112,120,141	72,719,647	961,531	73,681,178
7.1	Principal of receivables derecognized during last 3 month	6,341,831	16,276	6,358,107	40,123,915	134,296	40,258,211
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)	110,090,825	2,029,317	112,120,141	72,719,647	961,531	73,681,178
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	3,258,606	45,189,746	48,448,352	10,139,419	42,902,409	53,041,828
8.1	Through indefinit term agreement	-	-	-	-	-	-
8.2	Within one year	688,201	8,678,711	9,366,913	2,529,136	8,126,749	10,655,885
8.3	From 1 to 2 years	453,779	7,754,605	8,208,384	1,386,996	7,406,449	8,793,445
8.4	From 2 to 3 years	389,658	6,935,029	7,324,687	1,272,887	6,582,884	7,855,771
8.5	From 3 to 4 years	375,373	5,517,979	5,893,352	1,201,674	5,770,158	6,971,832
8.6	From 4 to 5 years	338,678	4,589,492	4,928,170	1,057,674	4,436,430	5,494,104
8.7	More than 5 years	1,012,917	11,713,930	12,726,846	2,691,053	10,579,738	13,270,790
9	Capital expenditure commitment	483,551	5,750,730	6,234,281	1,504,222	6,117,293	7,621,515

Bank: JSC "Liberty Bank"
Date: 31.12.2019

Table 5 **Risk Weighted Assets** *in Lari*

N		4Q 2019	3Q 2019
1	Risk Weighted Assets for Credit Risk	1,390,536,797	1,347,999,839
1.1	Balance sheet items	1,358,398,135	1,316,997,011
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	-	-
1.2	Off-balance sheet items	19,332,413	19,348,324
1.3	Counterparty credit risk	12,806,249	11,654,504
2	Risk Weighted Assets for Market Risk	11,395,735	4,095,141
3	Risk Weighted Assets for Operational Risk	400,856,480	388,865,665
4	Total Risk Weighted Assets	1,802,789,012	1,740,960,645

Bank: JSC "Liberty Bank"
Date: 31.12.2019

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

Members of Supervisory Board	
1	Irakli Otar Rukhadze
2	Mamuka Tsereteli
3	Murtaz Kikoria
4	Magda Magradze
Members of Board of Directors	
1	Vasil Khodeli
2	Levan Lekishvili
3	Levan Tkheldze
4	Mamuka Kvaratskhelia
5	David Verulashvili
List of Shareholders owning 1% and more of issued capital, indicating Shares	
1	Georgian Financial Group B.V. 91.18%
2	JSC "GALT & TAGGART" (Nominal owner) 4.21%
3	JSC "Heritage Securities" (Nominal owner) 1.99%
5	Other shareholders 2.62%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares	
1	Irakli Otar Rukhadze 30.40%
2	Benjamin Albert Marson 30.39%
3	Igor Alexeev 30.39%

Bank: JSC "Liberty Bank"
Date: 31.12.2019

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	215,830,754	-	215,830,754
2	Due from NBG	141,792,380	-	141,792,380
3	Due from Banks	175,902,915	-	175,902,915
4	Dealing Securities	-	-	-
5	Investment Securities	142,840,525	-	142,840,525
6.1	Loans	1,240,836,088	-	1,240,836,088
6.2	Less: Loan Loss Reserves	(82,260,658)	-	(82,260,658)
6	Net Loans	1,158,575,430	-	1,158,575,430
7	Accrued Interest and Dividends Receivable	15,915,316	-	15,915,316
8	Other Real Estate Owned & Repossessed Assets	47,775	-	47,775
9	Equity Investments	106,733	106,733	-
10	Fixed Assets and Intangible Assets	207,676,100	52,666,386	155,009,714
11	Other Assets	85,504,784	-	85,504,784
	Total exposures subject to credit risk weighting before adjustments	2,144,192,712	52,773,119	2,091,419,593

Bank: JSC "Liberty Bank"
Date: 31.12.2019

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	2,091,419,593
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	120,135,650
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	261,457,691
3	Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes	2,473,012,934
4	Effect of provisioning rules used for capital adequacy purposes	22,776,449
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	(88,039,558)
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	(248,651,442)
6	Effect of other adjustments	-
7	Total exposures subject to credit risk weighting	2,159,098,383

Bank: JSC "Liberty Bank"
Date: 31.12.2019

Table 9 **Regulatory capital**

N		in Lari
1	Common Equity Tier 1 capital before regulatory adjustments	299,000,774
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	28,175,602
5	Other disclosed reserves	1,694,028
6	Retained earnings (loss)	189,508,428
7	Regulatory Adjustments of Common Equity Tier 1 capital	83,641,675
8	Revaluation reserves on assets	28,175,602
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	2,692,955
10	Intangible assets	52,666,386
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	106,733
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	215,359,099
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	110,216,518
37	Instruments that comply with the criteria for Tier 2 capital	92,834,808
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	17,381,710
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	110,216,518

Bank: JSC "Liberty Bank"

Date: 31.12.2019

Table 9.1 **Capital Adequacy Requirements**

Minimum Requirements		Ratios	Amounts (GEL)
1	Pillar 1 Requirements		
1.1	Minimum CET1 Requirement	4.50%	81,125,506
1.2	Minimum Tier 1 Requirement	6.00%	108,167,341
1.3	Minimum Regulatory Capital Requirement	8.00%	144,223,121
2	Combined Buffer		
2.1	Capital Conservation Buffer	2.50%	45,069,725
2.2	Countercyclical Buffer	0.00%	-
2.3	Systemic Risk Buffer	0.90%	16,225,101
3	Pillar 2 Requirements		
3.1	CET1 Pillar 2 Requirement	1.41%	25,385,485
3.2	Tier 1 Pillar2 Requirement	1.88%	33,908,183
3.3	Regulatory capital Pillar 2 Requirement	6.62%	119,323,500
	Total Requirements	Ratios	Amounts (GEL)
4	CET1	9.31%	167,805,817
5	Tier 1	11.28%	203,370,350
6	Total regulatory Capital	18.02%	324,841,447

Bank: JSC "Liberty Bank"
Date: 31.12.2019

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	215,830,754	
2	Due from NBG	141,792,380	
3	Due from Banks	175,902,915	
4	Dealing Securities	-	
5	Investment Securities	142,840,525	
6.1	Loans	1,240,836,088	
6.2	Less: Loan Loss Reserves	(82,260,658)	
6.2.1	of which loan loss general reserves	17,361,710	
6	Net Loans	1,158,575,430	
7	Accrued Interest and Dividends Receivable	15,915,316	
8	Other Real Estate Owned & Repossessed Assets	47,775	
9	Equity Investments	106,733	
9.1	Of which above 10% equity holdings in financial institutions	106,733	
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	207,676,100	
10.1	Of which intangible assets	52,666,386	table 9 (Capital), N10
11	Other Assets	85,504,784	
12	Total assets	2,144,192,712	
13	Due to Banks	36,050,082	
14	Current (Accounts) Deposits	597,191,171	
15	Demand Deposits	289,571,292	
16	Time Deposits	671,046,820	
17	Own Debt Securities	-	
18	Borrowings	60,000,000	
19	Accrued Interest and Dividends Payable	7,107,124	
20	Other Liabilities	80,019,839	
20.1	of which off-balance general reserves	(52,490)	
21	Subordinated Debentures	99,640,227	
21.1	Of which tier II capital qualifying instruments	92,634,808	
22	Total liabilities	1,840,626,554	
23	Common Stock	54,628,743	
24	Preferred Stock	61,391	
25	Less: Repurchased Shares	(10,154,020)	
26	Share Premium	39,651,996	
27	General Reserves	1,694,028	
28	Retained Earnings	189,508,428	
29	Asset Revaluation Reserves	28,175,602	
30	Total Equity Capital	303,566,158	

Bank: JSC "Azeri Bank"
 Date: 31.12.2019

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

Risk weights	0%		20%		50%		50%		75%		100%		100%		150%		250%		Risk Weighted Exposures before 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	On-balance sheet amount	Off-balance sheet amount			
Exposure classes																			
1. Claims on credit institutions in domestic currency or convertible assets	100 241 206	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	114 008 629
2. Claims on credit institutions in foreign currency or convertible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Claims on credit institutions in domestic currency or convertible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Claims on credit institutions in foreign currency or convertible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Claims on credit institutions in domestic currency or convertible assets	-	-	1 061 127 024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49 840 552
6. Claims on credit institutions in foreign currency or convertible assets	-	-	-	-	-	-	25 945 570	-	-	-	-	-	-	-	-	-	-	-	400 300 884
7. Claims on credit institutions in domestic currency or convertible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	902 038 124
8. Claims on credit institutions in foreign currency or convertible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14 140 165
9. Claims on credit institutions in domestic currency or convertible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 800 014
10. Claims on credit institutions in foreign currency or convertible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	141 551 212
11. Claims on credit institutions in domestic currency or convertible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 922 200
12. Claims on credit institutions in foreign currency or convertible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	330 108 180
13. Claims on credit institutions in domestic currency or convertible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	250 000 000
14. Claims on credit institutions in foreign currency or convertible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	300 000 000
15. Other items	214 982 116	-	3 146 824	-	35 870 749	-	40 852 727	-	751 365 076	14 824 211	355 987 468	114 264 247	17 171 500	83 828 561	-	1 722 200	-	200 108 180	
Total	1 216 223 322	-	3 146 824	-	35 870 749	-	40 852 727	-	751 365 076	14 824 211	355 987 468	114 264 247	17 171 500	83 828 561	-	1 722 200	-	200 108 180	

Bank: JSC "Liberty Bank"
Date: 31.12.2019

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				369,096,715	355,342,004	724,438,720	327,702,199	171,513,784	499,215,984
Cash outflows									
2 Retail deposits	693,618,602	323,680,521	1,017,299,123	118,580,936	77,525,352	196,106,088	26,165,574	15,208,517	41,374,091
3 Unsecured wholesale funding	400,548,693	268,310,761	668,859,454	181,754,698	88,216,482	269,971,180	143,944,595	77,222,306	221,166,901
4 Secured wholesale funding	0	0	0	0	0	0	0	0	0
5 Outflows related to off-balance sheet obligations and net short position of derivative exposures	63,437,584	0	63,748,045	0	0	0	0	0	0
6 Other contractual funding obligations	38,834,626	50,897,680	89,732,306	7,962,232	14,228,880	22,191,102	2,230,215	4,692,631	6,922,848
7 Other contingent funding obligations	66,455,232	56,795,527	123,250,758	32,333,271	7,790,707	40,123,978	32,271,842	8,133,367	40,405,209
8 TOTAL CASH OUTFLOWS	1,262,894,737	699,684,488	1,962,579,225	340,630,928	187,761,421	528,392,349	204,612,226	105,256,822	309,869,048
Cash inflows									
9 Secured lending (eg reverse repos)	0	0	0	0	0	0	0	0	0
10 Inflows from fully performing exposures	908,492,275	492,226,951	1,400,719,226	75,688,998	9,732,892	85,421,890	116,634,351	191,954,544	308,588,895
11 Other cash inflows	35,496,491	58,766,492	94,262,882	728,460	109,710	838,170	728,652	557,460	1,286,112
12 TOTAL CASH INFLOWS	943,988,666	550,993,442	1,494,982,108	76,417,458	9,842,602	86,259,560	117,363,004	192,512,003	309,875,007
13 Total HQLA				369,096,715	355,342,004	724,438,720	327,702,199	171,513,784	499,215,984
14 Net cash outflow				264,213,470	177,919,319	442,132,789	87,249,222	26,314,206	77,467,262
15 Liquidity coverage ratio (%)				139.70%	199.72%	163.85%	375.59%	651.79%	644.42%

* 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"
 Date: 31.12.2019

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											
1.1	Maturity less than 1 year	261,457,691		12,806,249	-	-	-	-	12,806,249	-	-	12,806,249
1.1.1	Maturity from 1 year up to 2 years	192,294,737	2.0%	3,845,694					3,845,694			3,845,694
1.2	Maturity from 2 years up to 3 years	5,735,400	5.0%	286,770					286,770			286,770
1.3	Maturity from 3 years up to 4 years	-	8.0%	0					-			-
1.4	Maturity from 4 years up to 5 years	6,915,898	11.0%	760,749					760,749			760,749
1.5	Maturity over 5 years	56,521,686	14.0%	7,913,036					7,913,036			7,913,036
1.6	Maturity over 5 years	-	-	-					-			-
2	Interest rate contracts	0		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	261,457,691		12,806,249	-	-	-	-	12,806,249	-	-	12,806,249

Bank: JSC "Liberty Bank"

Date: 31.12.2019

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)	2,166,969,082
2	(Asset amounts deducted in determining Tier 1 capital)	(83,641,675)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	2,083,327,406
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	12,806,249
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)	12,806,249
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	120,135,650
18	(Adjustments for conversion to credit equivalent amounts)	(94,187,495)
19	Other off-balance sheet exposures (sum of lines 17 to 18)	25,948,155
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	219,924,483
21	Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	2,122,081,810
Leverage ratio		
22	Leverage ratio	10.36%
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	