	Pillar 3 quarterly report	
1	Name of a bank	JSC ProCredit Bank
2	Chairman of the Supervisory Board	Ilir I. Aliu
3	CEO of a bank	David Gabelashvili
4	Bank's web page	www.procreditbank.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 President 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 ProCredit Bank
Date: 31/12/2017

Table 1 **Key metrics**

N		31/Dec/17	30/Sep/17	30/Jun/17	31/Mar/17	31/Dec/16
	Regulatory capital (amounts, GEL)					
	Based on Basel III framework					
1	Common Equity Tier 1 (CET1)	170,795,357	164,493,368	157,220,301	174,643,979	171,167,842
2	Tier 1	170,795,357	164,493,368	157,220,301	174,643,979	171,167,842
3	Total regulatory capital	217,192,975	220,449,415	212,241,188	229,828,333	230,008,805
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	1,187,966,918	1,445,514,379	1,455,304,670	1,424,998,876	1,529,646,299
5	Risk-weighted assets (RWA) (Based on Basel I frameworks)	1,536,469,616	1,452,366,604	1,366,304,571	1,342,239,352	1,405,457,752
	Capital ratios as a percentage of RWA					
	Based on Basel III framework					
6	Common equity Tier 1 ratio (≥ 7.0 %)	14.38%	11.38%	10.80%	12.26%	11.19%
7	Tier 1 ratio (≥ 8.5 %)	14.38%	11.38%	10.80%	12.26%	11.19%
8	Total regulatory capital ratio (≥ 10.5 %)	18.28%	15.25%	14.58%	16.13%	15.04%
	Based on Basel I framework					
9	Common equity Tier 1 ratio (≥ 6.4 %)	10.21%	10.81%	11.48%	13.22%	10.29%
10	Total regulatory capital ratio (≥ 9.6 %)	14.55%	15.25%	15.52%	17.08%	16.33%
	Income					
11	Total Interest Income /Average Annual Assets	6.35%	6.27%	6.19%	6.00%	8.05%
12	Total Interest Expense / Average Annual Assets	2.36%	2.40%	2.46%	2.52%	2.79%
13	Earnings from Operations / Average Annual Assets	2.25%	2.07%	1.94%	1.64%	3.36%
14	Net Interest Margin	3.98%	3.88%	3.73%	3.48%	5.26%
15	Return on Average Assets (ROAA)	1.55%	1.43%	1.01%	1.01%	2.66%
16	Return on Average Equity (ROAE)	11.38%	10.36%	7.29%	7.46%	20.58%
	Asset Quality					
17	Non Performed Loans / Total Loans	3.07%	3.41%	3.79%	4.22%	4.33%
18	LLR/Total Loans	3.43%	3.59%	3.72%	3.93%	4.08%
19	FX Loans/Total Loans	80.44%	79.80%	80.00%	81.60%	85.02%
20	FX Assets/Total Assets	73.65%	72.15%	70.93%	72.51%	73.94%
21	Loan Growth-YTD	15.35%	7.02%	2.45%	-2.08%	-5.37%
	Liquidity					
22	Liquid Assets/Total Assets	**21%**	22%	23%	28%	32%
23	FX Liabilities/Total Liabilities	**87%**	85%	84%	86%	86%
24	Current & Demand Deposits/Total Assets	**31%**	33%	36%	32%	32%
	Liquidity Coverage Ratio**					
25	Total HQLA	248,201,149				
26	Net cash outflow	182,086,960				
27	LCR ratio (%)	1				

* 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
** 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 ProCredit Bank
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Table 2 **Balance Sheet** *in Lari*

		Reporting Period			Respective period of the previous year		
N	**Assets**	GEL	FX	Total	GEL	FX	Total
1	Cash	23,993,488	25,467,757	49,461,245	36,670,352	35,570,813	72,241,165
2	Due from NBG	11,573,376	126,740,358	138,313,735	9,022,841	131,854,384	140,877,225
3	Due from Banks	14,000,181	56,779,188	70,779,369	35,172,349	136,554,917	171,727,266
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	27,544,988	0	27,544,988	55,060,852	0	55,060,852
6.1	Loans	196,706,742	808,832,609	1,005,539,351	130,605,258	741,123,597	871,728,855
6.2	Less: Loan Loss Reserves	-5,416,141	-29,123,258	-34,539,399	-4,113,026	-31,438,410	-35,551,437
6	Net Loans	191,290,601	779,709,351	970,999,952	126,492,232	709,685,187	836,177,419
7	Accrued Interest and Dividends Receivable	1,563,730	4,112,025	5,675,755	926,746	3,612,434	4,539,181
8	Other Real Estate Owned & Repossessed Assets	0	X	0	0	X	0
9	Equity Investments	6,298,572	51,223	6,349,795	6,298,572	46,101	6,344,673
10	Fixed Assets and Intangible Assets	70,058,581	X	70,058,581	77,198,656	X	77,198,656
11	Other Assets	10,186,659	3,427,931	13,614,590	13,274,823	4,646,297	17,921,119
12	**Total assets**	356,510,176	996,287,832	1,352,798,009	360,117,424	1,021,970,133	1,382,087,557
	Liabilities						
13	Due to Banks	0	86,985,600	86,985,600	150,000	0	150,000
14	Current (Accounts) Deposits	82,992,069	125,245,181	208,237,251	81,025,914	112,084,409	193,110,322
15	Demand Deposits	40,060,359	177,267,190	217,327,549	39,345,737	206,664,512	246,010,249
16	Time Deposits	21,381,186	178,467,650	199,848,835	29,524,575	248,014,274	277,538,849
17	Own Debt Securities			0			0
18	Borrowings	0	370,700,740	370,700,740	0	383,746,327	383,746,327
19	Accrued Interest and Dividends Payable	941,435	7,423,065	8,364,500	1,294,886	9,606,973	10,901,860
20	Other Liabilities	11,094,455	7,050,457	18,144,912	12,200,723	13,220,657	25,421,380
21	Subordinated Debentures	0	64,805,000	64,805,000	0	66,170,000	66,170,000
22	**Total liabilities**	156,469,504	1,017,944,883	1,174,414,387	163,541,835	1,039,507,151	1,203,048,986
	Equity Capital						
23	Common Stock	88,914,815	X	88,914,815	88,914,815	X	88,914,815
24	Preferred Stock	0	X	0	0	X	0
25	Less: Repurchased Shares	0	X	0	0	X	0
26	Share Premium	36,388,151	X	36,388,151	36,388,151	X	36,388,151
27	General Reserves	0	X	0	0	X	0
28	Retained Earnings	53,080,655	X	53,080,655	53,735,604	X	53,735,604
29	Asset Revaluation Reserves	0	X	0	0	X	0
30	**Total Equity Capital**	178,383,622	X	178,383,622	179,038,571	X	179,038,571
31	**Total liabilities and Equity Capital**	334,853,126	1,017,944,883	1,352,798,009	342,580,406	1,039,507,151	1,382,087,557

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Date: 31/12/2017

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

N		Reporting Period			Respective period of the previous year		
N		GEL	FX	Total	GEL	FX	Total
	Interest Income						
1	Interest Income from Bank's "Nostro" and Deposit Accounts	2,932,842	299,682	3,232,524	2,531,631	54,694	2,586,325
2	Interest Income from Loans	18,757,313	57,423,219	76,180,532	18,914,201	72,772,092	91,686,293
2.1	from the Interbank Loans	813,632	-	813,632	299,588	-	299,588
2.2	from the Retail or Service Sector Loans	13,551,246	38,858,555	52,409,801	12,016,238	48,598,237	60,614,475
2.3	from the Energy Sector Loans	290	90,575	90,865	3,824	77,155	80,979
2.4	from the Agriculture and Forestry Sector Loans	324,991	1,395,412	1,720,403	584,796	1,451,907	2,036,703
2.5	from the Construction Sector Loans	720,186	1,928,475	2,648,661	404,150	1,729,796	2,133,946
2.6	from the Mining and Mineral Processing Sector Loans	133,781	658,627	792,408	208,554	562,657	771,211
2.7	from the Transportation or Communications Sector Loans	182,795	1,129,019	1,311,813	205,733	1,654,675	1,860,408
2.8	from Individuals Loans	2,156,370	10,092,966	12,249,336	4,175,688	14,322,927	18,498,615
2.9	from Other Sectors Loans	874,023	3,269,590	4,143,613	1,015,631	4,374,737	5,390,368
3	Fees/penalties income from loans to customers	245,707	785,115	1,030,822	584,590	1,993,558	2,578,148
4	Interest and Discount Income from Securities	1,700,977	-	1,700,977	2,075,969	-	2,075,969
5	Other Interest Income			-			-
6	**Total Interest Income**	23,636,839	58,508,016	82,144,855	24,106,391	74,820,344	98,926,735
	Interest Expense						
7	Interest Paid on Demand Deposits	1,779,176	2,677,719	4,456,895	1,771,470	3,373,803	5,145,273
8	Interest Paid on Time Deposits	2,324,427	6,762,817	9,087,243	3,033,670	9,205,051	12,238,721
9	Interest Paid on Banks Deposits	287	383,426	383,713	2,629	22,897	25,526
10	Interest Paid on Own Debt Securities	-	-	-	-	-	-
11	Interest Paid on Other Borrowings	-	16,660,147	16,660,147	765,318	16,096,946	16,862,264
12	Other Interest Expenses	-	-	-	-	-	-
13	**Total Interest Expense**	4,103,890	26,484,109	30,587,999	5,573,087	28,698,697	34,271,784
14	**Net Interest Income**	19,532,949	32,023,907	51,556,856	18,533,304	46,121,647	64,654,951
	Non-Interest Income						
15	Net Fee and Commission Income	(641,270)	3,126,219	2,484,949	937,674	5,466,323	6,403,997
15.1	Fee and Commission Income	4,811,397	5,212,160	10,023,558	6,126,461	8,072,164	14,198,624
15.2	Fee and Commission Expense	5,452,667	2,085,942	7,538,609	5,188,787	2,605,840	7,794,627
16	Dividend Income	-	15,834	15,834	5,145,786	16,469	5,162,256
17	Gain (Loss) from Dealing Securities			-			-
18	Gain (Loss) from Investment Securities		-	-		-	-
19	Gain (Loss) from Foreign Exchange Trading	9,847,475		9,847,475	5,569,744		5,569,744
20	Gain (Loss) from Foreign Exchange Translation	(4,863,562)		(4,863,562)	3,401,786		3,401,786
21	Gain (Loss) on Sales of Fixed Assets	1,035,345		1,035,345	(301,194)		(301,194)
22	Non-Interest Income from other Banking Operations	1,500,471	591,723	2,092,194	1,307,741	628,865	1,936,605
23	Other Non-Interest Income	475,171	114,142	589,314	314,982	98,937	413,919
24	**Total Non-Interest Income**	7,353,631	3,847,918	11,201,549	16,376,520	6,210,594	22,587,114
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	3,058,554	4,392,479	7,451,033	3,648,188	4,116,555	7,764,742
26	Bank Development, Consultation and Marketing Expenses	3,181,293	1,749,450	4,930,742	3,071,494	1,536,040	4,607,534
27	Personnel Expenses	14,391,650		14,391,650	17,814,684		17,814,684
28	Operating Costs of Fixed Assets	157,156		157,156	576,615		576,615
29	Depreciation Expense	6,092,196		6,092,196	6,657,989		6,657,989
30	Other Non-Interest Expenses	4,446,286	15,360	4,461,646	5,333,516	106,142	5,439,658
31	**Total Non-Interest Expenses**	31,327,135	6,157,289	37,484,423	37,102,486	5,758,736	42,861,222
32	**Net Non-Interest Income**	(23,973,503)	(2,309,371)	(26,282,874)	(20,725,966)	451,858	(20,274,108)
33	**Net Income before Provisions**	(4,440,554)	29,714,536	25,273,982	(2,192,662)	46,573,505	44,380,843
34	Loan Loss Reserve	3,411,681	-	3,411,681	(2,813,190)	-	(2,813,190)
35	Provision for Possible Losses on Investments and Securities	-	-	-	-	-	-
36	Provision for Possible Losses on Other Assets	(1,166,781)	-	(1,166,781)	(177,739)	-	(177,739)
37	**Total Provisions for Possible Losses**	2,244,900	-	2,244,900	(2,990,929)	-	(2,990,929)
38	**Net Income before Taxes and Extraordinary Items**	(6,685,455)	29,714,536	23,029,082	798,267	46,573,505	47,371,772
39	Taxation	2,867,409		2,867,409	5,509,496		5,509,496
40	**Net Income after Taxation**	(9,552,864)	29,714,536	20,161,673	(4,711,230)	46,573,505	41,862,275
41	Extraordinary Items	(101,746)		(101,746)	(9,175,700)		(9,175,700)
42	**Net Income**	(9,654,609)	29,714,536	20,059,927	(13,886,930)	46,573,505	32,686,575

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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**	32,218,208	44,327,783	76,545,991			0
1.1	Guarantees Issued	20,667,622	22,387,109	43,054,731			0
1.2	Letters of credit Issued	0	530,777	530,777			0
1.3	Undrawn loan commitments	11,550,586	21,409,897	32,960,483			0
1.4	Other Contingent Liabilities	0	17,627	17,627			0
2	**Guarantees received as security for liabilities of the bank**	0	168,101,837	168,101,837			0
3	**Assets pledged as security for liabilities of the bank**	4,118,000	0	4,118,000			0
3.1	Financial assets of the bank	4,118,000	0	4,118,000			0
3.2	Non-financial assets of the bank			0			0
4	**Guaratees received as security for receivables of the bank**	53,530,582	305,268,405	358,798,987			0
4.1	Surety, joint liability	53,530,582	137,166,568	190,697,150			0
4.2	Guarantees			0			0
5	**Assets pledged as security for receivables of the bank**	260,236,873	1,074,984,166	1,335,221,039			0
5.1	Cash	4,660,015	10,287,021	14,947,036			0
5.2	Precious metals and stones	0	0	0			0
5.3	Real Estate:	229,577,474	1,020,669,313	1,250,246,787			0
5.3.1	*Residential Property*	77,423,809	307,632,817	385,056,627			0
5.3.2	*Commercial Property*	104,908,121	558,474,584	663,382,705			0
5.3.3	*Complex Real Estate*	0	0	0			0
5.3.4	*Land Parcel*	47,243,595	153,370,451	200,614,046			0
5.3.5	*Other*	1,949	1,191,461	1,193,410			0
5.4	Movable Property	25,269,002	40,640,543	65,909,545			0
5.5	Shares Pledged	42,333	1,129,606	1,171,939			0
5.6	Securities	30,896	0	30,896			0
5.7	Other	657,154	2,257,683	2,914,836			0
6	**Derivatives**	0	74,451,907	74,451,907			0
6.1	Receivables through FX contracts (except options)		37,252,800	37,252,800			0
6.2	Payables through FX contracts (except options)		37,199,107	37,199,107			0
6.3	Principal of interest rate contracts (except options)			0			0
6.4	Options sold			0			0
6.5	Options purchased			0			0
6.6	Nominal value of potential receivables through other derivatives			0			0
6.7	Nominal value of potential payables through other derivatives			0			0
7	**Receivables not recognized on-balance**			0			0
7.1	Principal of receivables derecognized during last 3 month	351,780	1,047,752	1,399,532			0
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	96,873	313,031	409,903			0
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	7,175,074	33,724,035	40,899,109			0
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	2,409,506	11,761,731	14,171,236			0
8	**Non-cancelable operating lease**	324,704	450,914	775,618			0
8.1	Through indefinit term agreement			0			0
8.2	Within one year	4,624	450,914	455,538			0
8.3	From 1 to 2 years	320,080		320,080			0
8.4	From 2 to 3 years			0			0
8.5	From 3 to 4 years			0			0
8.6	From 4 to 5 years			0			0
8.7	More than 5 years			0			0
9	**Capital expenditure commitment**			0			0

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

N		T	T-1
1	Risk Weighted Assets for Credit Risk	1,015,921,443	1,306,307,720
1.1	Balance sheet items	969,652,522	891,875,472
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)		
1.2	Off-balance sheet items	46,120,125	46,438,198
1.3	Currency induced credit risk*		367,756,812
1.4	Counterparty credit risk	148,796	237,238
2	Risk Weighted Assets for Market Risk	8,137,857	14,584,402
3	Risk Weighted Assets for Operational Risk	163,907,617	124,622,258
4	**Total Risk Weighted Assets**	1,187,966,918	1,445,514,379

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

	Members of Supervisory Board	
1	Ilir I. Aliu	
2	Marcel Sebastian Zeitinger	
3	Sandrine Massiani	
4	Jovanka Joleska Popovska	
5	Wolfgang Bertelsmeier	
	Members of Board of Directors	
1	Ketevan Khuskivadze	
2	Alex Matua	
3	David Gabelashvili	
4	Natia Tkhilaishvili	
	List of Shareholders owning 1% and more of issued capital, indicating Shares	
1	ProCredit Holding AG & Co. KGaA	100%
	List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares	
1	Zeitinger Invest GmbH	From 15% to 20%
2	KfW - Kreditanstalt für Wiederaufbau	From 10% to 15%
3	DOEN Foundation	From 10% to 15%
4	IFC - International Finance Corporation	From 10% to 15%
5	TIAA-CREF - Teachers Insurance and Annuity Association	From 5% to 10%

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Table 7

Linkages between financial statement assets and balance sheet items subject to credit risk weighting

		a	b	c
			Carrying values of items	
	Account name of standardazed supervisory balance sheet item	**Carrying values as reported in published stand-alone financial statements per local accounting rules**	**Not subject to capital requirements or subject to deduction from capital**	**Subject to credit risk weighting**
1	Cash	49,461,245		49,461,245
2	Due from NBG	138,313,735		138,313,735
3	Due from Banks	70,779,369		70,779,369
4	Dealing Securities	0		
5	Investment Securities	27,544,988		27,544,988
6.1	Loans	*1,005,539,351*		1,005,539,351
6.2	*Less: Loan Loss Reserves*	*-34,539,399*		-34,539,399
6	Net Loans	970,999,952		970,999,952
7	Accrued Interest and Dividends Receivable	5,675,755		5,675,755
8	Other Real Estate Owned & Repossessed Assets	0		
9	Equity Investments	6,349,795	6,194,572	155,223
10	Fixed Assets and Intangible Assets	70,058,581	1,393,693	68,664,888
11	Other Assets	13,614,590		13,614,590
	Total exposures subject to credit risk weighting before adjustments	**1,352,798,009**	**7,588,265**	**1,345,209,744**

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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** *in Lari*

1	**Total carrying value of balance sheet items subject to credit risk weighting before adjustments**	1,345,209,744
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	76,422,831
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	37,199,107
3	**Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes**	1,458,831,681
4	Effect of provisioning rules used for capital adequacy purposes	18,998,195
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-25,131,011
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	-36,455,125
6	Effect of other adjustments	
7	**Total exposures subject to credit risk weighting**	1,416,243,741

Bank: JSC ProCredit Bank
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Table 9

Regulatory capital

N		in Lari
1	**Common Equity Tier 1 capital before regulatory adjustments**	178,383,622
2	Common shares that comply with the criteria for Common Equity Tier 1	88,914,815
3	Stock surplus (share premium) of common share that meets the criteria of Common Equity Tier 1	36,388,151
4	Accumulated other comprehensive income	0
5	Other disclosed reserves	0
6	Retained earnings (loss)	53,080,655
7	**Regulatory Adjustments of Common Equity Tier 1 capital**	7,588,265
8	Revaluation reserves on assets	0
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	0
10	Intangible assets	1,393,693
11	Shortfall of the stock of provisions to the provisions based on the Asset Classification	0
12	Investments in own shares	0
13	Reciprocal cross holdings in the capital of commercial banks, insurance entities and other financial institutions	0
14	Cash flow hedge reserve	0
15	Deferred tax assets not subject to the threshold deduction (net of related tax liability)	0
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	0
17	Holdings of equity and other participations constituting more than 10% of the share capital of other commercial entities	6,194,572
18	Significant investments in the common shares of commercial banks, insurance entities and other financial institutions (amount above 10% limit)	0
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)	0
20	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	0
21	The amount of significant Investments and Deferred Tax Assets which exceed 15% of common equity tier 1	0
22	Regulatory adjustments applied to Common Equity Tier 1 resulting from shortfall of Tier 1 and Tier 2 capital to deduct investments	0
23	**Common Equity Tier 1**	170,795,357
24	**Additional tier 1 capital before regulatory adjustments**	0
25	Instruments that comply with the criteria for Additional tier 1 capital	0
26	Including:instruments classified as equity under the relevant accounting standards	0
27	Including: instruments classified as liabilities under the relevant accounting standards	0
28	Stock surplus (share premium) that meet the criteria for Additional Tier 1 capital	0
29	**Regulatory Adjustments of Additional Tier 1 capital**	0
30	Investments in own Additional Tier 1 instruments	0
31	Reciprocal cross-holdings in Additional Tier 1 instruments	0
32	Significant investments in the Additional Tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	0
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)	0
34	Regulatory adjustments applied to Additional Tier 1 resulting from shortfall of Tier 2 capital to deduct investments	0
35	**Additional Tier 1 Capital**	0
36	**Tier 2 capital before regulatory adjustments**	46,397,618
37	Instruments that comply with the criteria for Tier 2 capital	33,698,600
38	Stock surplus (share premium) that meet the criteria for Tier 2 capital	0
39	General reserves, limited to a maximum of 1.25% of the bank's credit risk-weighted exposures	12,699,018
40	**Regulatory Adjustments of Tier 2 Capital**	0
41	Investments in own shares that meet the criteria for Tier 2 capital	0
42	Reciprocal cross-holdings in Tier 2 capital	0
43	Significant investments in the Tier 2 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	0
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)	0
45	**Tier 2 Capital**	46,397,618

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Table 10 **Reconcilation 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	49,461,245	
2	Due from NBG	138,313,735	
3	Due from Banks	70,779,369	
4	Dealing Securities	0	
5	Investment Securities	27,544,988	
6.1	Loans	*1,005,539,351*	
6.2	*Less: Loan Loss Reserves*	*-34,539,399*	
	Of which general loan loss reserves	*-12,699,018*	*table 9 (Capital), N39*
6	Net Loans	970,999,952	
7	Accrued Interest and Dividends Receivable	5,675,755	
8	Other Real Estate Owned & Repossessed Assets	0	
9	Equity Investments	6,349,795	
9.1	*Of which above 10% of the share capital of other commercial entities*	*6,194,572*	table 9 (Capital), N17
9.2	*Of which significant investments subject to limited recognition*	*0*	
9.3	*Of which below 10% equity holdings subject to limited recognition*	*0*	
10	Fixed Assets and Intangible Assets	70,058,581	
10.1	*Of which intangible assets*	1,393,693	*table 9 (Capital), N10*
11	Other Assets	13,614,590	
12	**Total assets**	**1,352,798,009**	
13	Due to Banks	86,985,600	
14	Current (Accounts) Deposits	208,237,251	
15	Demand Deposits	217,327,549	
16	Time Deposits	199,848,835	
17	Own Debt Securities	0	
18	Borrowings	370,700,740	
19	Accrued Interest and Dividends Payable	8,364,500	
20	Other Liabilities	18,144,912	
20.1	Of which general reserves on off-balance items	1,000,930	
21	Subordinated Debentures	64,805,000	
21.1	*Of which tier II capital qualifying instruments*	*33,698,600*	*table 9 (Capital), N37*
22	**Total liabilities**	**1,175,415,317**	
23	Common Stock	88,914,815	*table 9 (Capital), N2*
24	Preferred Stock	0	
25	Less: Repurchased Shares	0	
26	Share Premium	36,388,151	*table 9 (Capital), N39*
27	General Reserves	0	
28	Retained Earnings	53,080,655	*table 9 (Capital), N6*
29	Asset Revaluation Reserves	0	
30	**Total Equity Capital**	**178,383,622**	

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

Table 11

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Risk weights / Exposure classes	0%		20%		35%		50%		75%		100%		150%		250%		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	On-balance sheet amount	Off-balance sheet amount	
1	Claims or contingent claims on central governments or central banks	39.316.797		0		0		0		0		126.740.358		0		0		126.740.358
2	Claims or contingent claims on regional governments or local authorities	0		0		0		0		0		0		0		0		-
3	Claims or contingent claims on public sector entities	0		0		0		0		0		0		0		0		-
4	Claims or contingent claims on multilateral development banks	0		0		0		0		0		0		0		0		-
5	Claims or contingent claims on international organizations/institutions	0		0		0		0		0		0		0		0		-
6	Claims or contingent claims on commercial banks	0		70.315.367		0		549.393		0		0		0		0		14.337.770
7	Claims or contingent claims on corporates	0		0		0		0		0		435.297.762	51.291.820	129.717		0		486.784.156
8	Retail claims or contingent retail claims	0		0		0		0		553.681.940		0		647.173		0		416.232.214
9	Claims or contingent claims secured by mortgages on residential property	0		0		0		0		0		0		0		0		-
10	Past due items	0		0		0		0		0		5.648.654		0		0		5.648.654
11	Items belonging to regulatory high-risk categories	0		0		0		0		0		0		0		0		-
12	Short-term claims on commercial banks and corporates	0		0		0		0		0		0		0		0		-
13	Claims in the form of collective investment undertakings ('CIU')	0		0		0		0		0		0		0		0		-
14	Other items	49.461.245		0		0		0		0		76.906.907		0		5.512.626		90.688.472
	Total	88,778,042	0	70,315,367	0	0	0	549,393	0	553,681,940	0	644,593,681	51,291,820	776,889	0	5,512,626	0	1,140,431,625

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Table 12 **Credit Risk Mitigation**

in Lari

		Funded Credit Protection										Unfunded Credit Protection									
		On-balance sheet netting	Cash on deposit with, or cash assimilated instruments	Debt securities issued by central governments or central banks, regional governments or local authorities, public sector entities, multilateral development banks and international organizations/institutions	Debt securities issued by regional governments or local authorities, public sector entities, multilateral development banks and international organizations/institutions	Debt securities issued by other entities, which securities have a credit assessment, which has been determined by NBG to be associated with credit quality step 3 or above under the rules for the risk weighting of exposures to corporates	Debt securities with a short-term credit assessment, which has been determined by NBG to be associated with credit quality step 3 or above under the rules for the risk weighting of short term exposures	Equities or convertible bonds that are included in a main index	Standard gold bullion or equivalent	Debt securities without credit rating issued by commercial banks	Units in collective investment undertakings	Central governments or central banks	Regional governments or local authorities	Multilateral development banks	International organizations / institutions	Public sector entities	Commercial banks	Other corporate entities that have a credit assessment, which has been determined by NBG to be associated with credit quality step 2 or above under the rules for the risk weighting of exposures to corporates	**Total Credit Risk Mitigation - On-balance sheet**	**Total Credit Risk Mitigation - Off-balance sheet**	**Total Credit Risk Mitigation**
1	Claims or contingent claims on central governments or central banks	0	0									0	0	112 833 897	0	0	0	0	112 833 897		112 833 897
2	Claims or contingent claims on regional governments or local authorities	0	0									0	0	0	0	0	0	0	0		0
3	Claims or contingent claims on public sector entities	0	0									0	0	0	0	0	0	0	0		0
4	Claims or contingent claims on multilateral development banks	0	0									0	0	0	0	0	0	0	0		0
5	Claims or contingent claims on international organizations/institutions	0	0									0	0	0	0	0	0	0	0		0
6	Claims or contingent claims on commercial banks	0	0									0	0	0	0	0	0	0	0		0
7	Claims or contingent claims on corporates	0	11 320 973									0	0	0	0	0	0	0	6 149 278	5 171 695	11 320 973
8	Retail claims or contingent retail claims	0	504 108									0	0	0	0	0	0	0	504 108		504 108
9	Claims or contingent claims secured by mortgages on residential property	0	0									0	0	0	0	0	0	0	0		0
10	Past due items	0	0									0	0	0	0	0	0	0	0		0
11	Items belonging to regulatory high-risk categories	0	0									0	0	0	0	0	0	0	0		0
12	Short-term claims on commercial banks and corporates	0	0									0	0	0	0	0	0	0	0		0
13	Claims in the form of collective investment undertakings	0	0									0	0	0	0	0	0	0	0		0
14	Other items	0	0									0	0	0	0	0	0	0	0		0
	Total	0	11 825 081	0	0	0	0	0	0	0	0	0	0	112 833 897	0	0	0	0	119 487 284	5 171 695	124 658 978

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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	RWA post Credit Risk Mitigation	RWA Density f=e/(a+c)
	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	166,057,155			126,740,358	13,906,461	8%
2	Claims or contingent claims on regional governments or local authorities	0			0	0	
3	Claims or contingent claims on public sector entities	0			0	0	
4	Claims or contingent claims on multilateral development banks	0			0	0	
5	Claims or contingent claims on international organizations/institutions	0			0	0	
6	Claims or contingent claims on commercial banks	70,864,761			14,337,770	14,337,770	20%
7	Claims or contingent claims on corporates	435,427,478	76,422,831	51,291,820	486,784,156	475,463,183	98%
8	Retail claims or contingent retail claims	554,329,113			416,232,214	415,728,106	75%
9	Claims or contingent claims secured by mortgages on residential property	0			0	0	
10	Past due items	5,648,654			5,648,654	5,648,654	100%
11	Items belonging to regulatory high-risk categories	0			0	0	
12	Short-term claims on commercial banks and corporates	0			0	0	
13	Claims in the form of collective investment undertakings ('CIU')	0			0	0	
14	Other items	131,880,778			90,688,472	90,688,472	69%
	Total	1,364,207,939	76,422,831	51,291,820	1,140,431,625	1,015,772,647	370%

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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				72,496,879	175,704,270	248,201,149	58,496,698	151,125,812	209,622,510
Cash outflows										
2	Retail deposits	44,131,927	335,081,040	379,212,967	8,718,711	67,102,941	75,821,652	2,252,634	17,760,482	20,013,115
3	Unsecured wholesale funding	100,301,686	668,390,316	768,692,002	32,964,330	58,781,292	91,745,622	30,977,518	110,800,981	141,778,500
4	Secured wholesale funding	-	-	-	-	-	-	-	-	-
5	Outflows related to off-balance sheet obligations and net short position of derivative exposures	30,406,992	44,310,476	74,717,467	5,122,428	9,055,004	14,177,432	2,007,258	3,283,635	5,290,893
6	Other contractual funding obligations, related to drawdown of undrawn credit facilities within 30 days and not included in abovementioned categories			-			-			-
7	Other funding obligations	15,120,848	13,308,244	28,429,092	5,234,969	5,230,007	10,464,976	5,234,969	5,230,007	10,464,976
8	**TOTAL CASH OUTFLOWS**	189,961,453	1,061,090,075	1,251,051,528	52,040,437	140,169,244	192,209,682	40,472,379	137,075,105	177,547,484
Cash inflows										
9	Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-	-
10	Other inflows from counterparties	191,584,929	762,438,739	954,023,669	3,180,099	6,942,622	10,122,721	17,180,281	63,272,489	80,452,769
11	Other cash inflows	14,000,181	56,329,866	70,330,048	-	-	-	-	-	-
12	**TOTAL CASH INFLOWS**	205,585,111	818,768,606	1,024,353,716	3,180,099	6,942,622	10,122,721	17,180,281	63,272,489	80,452,769
					Total value according to NBG's methodology (with limits)			Total value according to Basel methodology (with limits)		
13	Total HQLA				72,496,879	175,704,270	248,201,149	58,496,698	151,125,812	209,622,510
14	Net cash outflow				48,860,338	133,226,622	182,086,960	23,292,098	73,802,617	97,094,715
15	Liquidity coverage ratio (%)				148.38%	131.88%	136.31%	251.14%	204.77%	215.89%

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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**	37,199,107		743,982	0	743,982	0	0	0	0	0	0	148,796
1.1	Maturity less than 1 year	37,199,107	2.0%	743,982	0	743,982	0	0	0	0	0	0	148,796
1.2	Maturity from 1 year up to 2 years	0	5.0%	0	0	0	0	0	0	0	0	0	0
1.3	Maturity from 2 years up to 3 years	0	8.0%	0	0	0	0	0	0	0	0	0	0
1.4	Maturity from 3 years up to 4 years	0	11.0%	0	0	0	0	0	0	0	0	0	0
1.5	Maturity from 4 years up to 5 years	0	14.0%	0	0	0	0	0	0	0	0	0	0
1.6	Maturity over 5 years	0			0	0	0	0	0	0	0	0	0
2	**Interest rate contracts**	0		0	0	0	0	0	0	0	0	0	0
2.1	Maturity less than 1 year	0	0.5%	0	0	0	0	0	0	0	0	0	0
2.2	Maturity from 1 year up to 2 years	0	1.0%	0	0	0	0	0	0	0	0	0	0
2.3	Maturity from 2 years up to 3 years	0	2.0%	0	0	0	0	0	0	0	0	0	0
2.4	Maturity from 3 years up to 4 years	0	3.0%	0	0	0	0	0	0	0	0	0	0
2.5	Maturity from 4 years up to 5 years	0	4.0%	0	0	0	0	0	0	0	0	0	0
2.6	Maturity over 5 years	0			0	0	0	0	0	0	0	0	0
	Total	**37,199,107**		**743,982**	0	743,982	0	0	0	0	0	0	**148,796**