

Pillar 3 quarterly report		
1	Name of a bank	Terabank
2	Chairman of the Supervisory Board	H.H. Sheikh Nahayan Mabarak Al Nahayan
3	CEO of a bank	Thea Lortkipanidze
4	Bank's web page	www.terabank.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: Terabank
Date:

3/31/2019

Table 1 **Key metrics**

N		3/31/2019	12/31/2018	9/30/2018	6/30/2018	3/31/2018
	Regulatory capital (amounts, GEL)					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CET1)	110,978,441	104,601,555	102,318,427	94,908,863	92,825,052
2	Tier 1	110,978,441	104,601,555	102,318,427	94,908,863	92,825,052
3	Total regulatory capital	164,715,333	156,412,414	145,542,152	136,088,077	132,953,521
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	889,510,859	872,383,343	849,999,538	794,408,612	747,728,329
	Capital ratios as a percentage of RWA					
	<i>Based on Basel III framework</i>					
5	Common equity Tier 1 ratio >=9.13%	12.48%	11.99%	12.04%	11.95%	12.41%
6	Tier 1 ratio >=11.35%	12.48%	11.99%	12.04%	11.95%	12.41%
7	Total Regulatory Capital ratio >=17.36%	18.52%	17.93%	17.12%	17.13%	17.78%
	Income					
8	Total Interest Income / Average Annual Assets	8.06%	8.72%	8.77%	8.74%	8.67%
9	Total Interest Expense / Average Annual Assets	3.65%	4.02%	4.07%	4.10%	4.06%
10	Earnings from Operations / Average Annual Assets	2.92%	3.15%	3.76%	4.04%	4.25%
11	Net Interest Margin	4.41%	4.70%	4.71%	4.64%	4.61%
12	Return on Average Assets (ROAA)	2.63%	2.09%	2.50%	2.08%	3.08%
13	Return on Average Equity (ROAE)	18.97%	14.64%	17.31%	14.49%	21.01%
	Asset Quality					
14	Non Performed Loans / Total Loans	7.29%	7.28%	8.36%	8.35%	8.57%
15	LLR/Total Loans	5.47%	5.40%	6.78%	6.74%	6.81%
16	FX Loans/Total Loans	61.32%	60.91%	59.25%	58.73%	58.18%
17	FX Assets/Total Assets	60.33%	59.24%	57.82%	56.65%	55.06%
18	Loan Growth-YTD	0.76%	17.85%	12.00%	7.44%	3.57%
	Liquidity					
19	Liquid Assets/Total Assets	21.00%	22.44%	22.19%	19.62%	18.48%
20	FX Liabilities/Total Liabilities	67.88%	65.16%	63.71%	59.60%	60.30%
21	Current & Demand Deposits/Total Assets	41.13%	43.75%	41.82%	42.67%	42.63%
	Liquidity Coverage Ratio***					
22	Total HQLA	182,406,152	178,068,289	174,272,852	152,659,647	150,509,789
23	Net cash outflow	158,849,135	146,477,088	143,725,543	136,318,046	140,158,472
24	LCR ratio (%)	114.83%	121.57%	121.25%	111.99%	107.39%

*** 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.

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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	14,456,006	18,110,717	32,566,723	13,582,472	22,788,198	36,370,669
2	Due from NBG	7,213,818	122,410,137	129,623,955	15,792,069	67,375,612	83,167,681
3	Due from Banks	64,251	28,074,729	28,138,980	249,664	26,291,037	26,540,702
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	50,060,375	0	50,060,375	45,152,250	0	45,152,250
6.1	Loans	271,536,150	430,512,067	702,048,217	256,039,862	356,260,116	612,299,977
6.2	Less: Loan Loss Reserves	-17,803,016	-20,583,025	-38,386,041	-17,935,183	-23,764,202	-41,699,386
6	Net Loans	253,733,134	409,929,042	663,662,176	238,104,678	332,495,913	570,600,592
7	Accrued Interest and Dividends Receivable	2,955,353	3,119,601	6,074,954	2,105,543	2,125,550	4,231,094
8	Other Real Estate Owned & Repossessed Assets	884,779	0	884,779	5,391,923	0	5,391,923
9	Equity Investments	0	0	0	0	0	0
10	Fixed Assets and Intangible Assets	48,403,884	0	48,403,884	45,161,892	0	45,161,892
11	Other Assets	4,890,698	374,790	5,265,488	3,929,554	1,676,119	5,605,672
12	Total assets	382,662,297	582,019,016	964,681,313	369,470,046	452,752,429	822,222,475
	Liabilities						
13	Due to Banks	41,402	247,178	288,580	5,125	7,717,172	7,722,297
14	Current (Accounts) Deposits	55,159,929	128,613,396	183,773,326	46,060,347	75,239,221	121,299,568
15	Demand Deposits	58,740,596	154,270,840	213,011,436	98,741,792	130,472,648	229,214,439
16	Time Deposits	75,098,268	180,741,790	255,840,057	65,551,862	155,877,001	221,428,863
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	69,055,000	30,967,303	100,022,303	61,055,000	6,627,528	67,682,528
19	Accrued Interest and Dividends Payable	2,533,854	2,324,628	4,858,482	2,266,193	1,333,523	3,599,716
20	Other Liabilities	6,212,691	17,587,786	23,800,478	4,723,025	10,062,522	14,785,546
21	Subordinated Debentures	0	49,149,867	49,149,867	0	35,493,666	35,493,666
22	Total liabilities	266,841,741	563,902,788	830,744,529	278,403,344	422,823,280	701,226,624
	Equity Capital						
23	Common Stock	121,372,000	0	121,372,000	121,372,000	0	121,372,000
24	Preferred Stock	0	0	0	0	0	0
25	Less: Repurchased Shares	0	0	0	0	0	0
26	Share Premium	0	0	0	0	0	0
27	General Reserves	0	0	0	0	0	0
28	Retained Earnings	12,564,784	0	12,564,784	-376,150	0	-376,150
29	Asset Revaluation Reserves	0	0	0	0	0	0
30	Total Equity Capital	133,936,784	0	133,936,784	120,995,850	0	120,995,850
31	Total liabilities and Equity Capital	400,778,524	563,902,788	964,681,313	399,399,194	422,823,280	822,222,474

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Table 3 **Income statement**

in Lari

N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
	Interest Income						
1	Interest Income from Bank's "Nostro" and Deposit Accounts	165,009	85,671	250,680	137,393	120,894	258,287
2	Interest Income from Loans	8,253,069	8,585,699	16,838,769	7,533,688	7,698,516	15,232,204
2.1	from the Interbank Loans	-	-	-	-	-	-
2.2	from the Retail or Service Sector Loans	1,405,467	3,166,474	4,571,941	1,586,331	3,080,870	4,667,201
2.3	from the Energy Sector Loans	-	58,916	58,916	-	63,333	63,333
2.4	from the Agriculture and Forestry Sector Loans	214,172	74,320	288,491	214,603	86,796	301,399
2.5	from the Construction Sector Loans	100,842	881,052	981,895	165,591	894,707	1,060,298
2.6	from the Mining and Mineral Processing Sector Loans	600	577	1,177	(36)	5,286	5,250
2.7	from the Transportation or Communications Sector Loans	150	331,940	332,090	1,042	36,907	37,950
2.8	from Individuals Loans	5,365,059	3,449,767	8,814,826	4,015,649	2,551,236	6,566,885
2.9	from Other Sectors Loans	1,166,779	622,654	1,789,433	1,550,508	979,381	2,529,888
3	Fees/penalties income from loans to customers	328,511	306,569	635,080	296,721	228,691	525,411
4	Interest and Discount Income from Securities	1,074,194	-	1,074,194	1,050,561	-	1,050,561
5	Other Interest Income	207,147	94,426	301,573	310,215	118,218	428,433
6	Total Interest Income	10,027,930	9,072,365	19,100,295	9,328,578	8,166,319	17,494,897
	Interest Expense						
7	Interest Paid on Demand Deposits	1,278,327	914,877	2,193,204	1,551,156	841,168	2,392,324
8	Interest Paid on Time Deposits	2,169,938	1,964,812	4,134,749	2,010,472	1,550,661	3,561,133
9	Interest Paid on Banks Deposits	3,875	128	4,003	113,448	32,710	146,158
10	Interest Paid on Own Debt Securities	-	-	-	-	-	-
11	Interest Paid on Other Borrowings	1,324,851	986,436	2,311,287	1,394,103	692,277	2,086,380
12	Other Interest Expenses	-	-	-	-	-	-
13	Total Interest Expense	4,776,992	3,866,252	8,643,243	5,069,179	3,116,816	8,185,995
14	Net Interest Income	5,250,938	5,206,114	10,457,052	4,259,399	5,049,504	9,308,902
	Non-Interest Income						
15	Net Fee and Commission Income	817,863	204,719	1,022,583	860,204	338,162	1,198,366
15.1	Fee and Commission Income	1,279,793	917,950	2,197,743	1,272,010	856,382	2,128,392
15.2	Fee and Commission Expense	461,930	713,230	1,175,160	411,806	518,220	930,026
16	Dividend Income	-	-	-	-	-	-
17	Gain (Loss) from Dealing Securities	-	-	-	-	-	-
18	Gain (Loss) from Investment Securities	-	-	-	-	-	-
19	Gain (Loss) from Foreign Exchange Trading	1,180,064	-	1,180,064	2,980,855	-	2,980,855
20	Gain (Loss) from Foreign Exchange Translation	105,245	-	105,245	(2,630,402)	-	(2,630,402)
21	Gain (Loss) on Sales of Fixed Assets	11,624	-	11,624	19,396	-	19,396
22	Non-Interest Income from other Banking Operations	3,900	2,174	6,074	11,300	183,234	194,534
23	Other Non-Interest Income	35,713	4,050	39,763	83,629	76,156	159,785
24	Total Non-Interest Income	2,154,409	210,944	2,365,352	1,324,982	597,552	1,922,534
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	154,469	137,402	291,871	170,266	126,176	296,442
26	Bank Development, Consultation and Marketing Expenses	269,445	2,630	272,076	243,356	-	243,356
27	Personnel Expenses	3,206,980	-	3,206,980	2,497,775	-	2,497,775
28	Operating Costs of Fixed Assets	-	-	-	-	-	-
29	Depreciation Expense	1,082,570	-	1,082,570	930,971	-	930,971
30	Other Non-Interest Expenses	928,589	7,239	935,828	1,305,303	257	1,305,560
31	Total Non-Interest Expenses	5,642,053	147,271	5,789,324	5,147,670	126,433	5,274,103
32	Net Non-Interest Income	(3,487,644)	63,672	(3,423,972)	(3,822,689)	471,119	(3,351,569)
33	Net Income before Provisions	1,763,294	5,269,786	7,033,080	436,710	5,520,623	5,957,333
34	Loan Loss Reserve	636,367	-	636,367	(1,002,017)	-	(1,002,017)
35	Provision for Possible Losses on Investments and Securities	-	-	-	-	-	-
36	Provision for Possible Losses on Other Assets	176,661	-	176,661	751,913	-	751,913
37	Total Provisions for Possible Losses	813,028	-	813,028	(250,103)	-	(250,103)
38	Net Income before Taxes and Extraordinary Items	950,266	5,269,786	6,220,052	686,813	5,520,623	6,207,437
39	Taxation	-	-	-	-	-	-
40	Net Income after Taxation	950,266	5,269,786	6,220,052	686,813	5,520,623	6,207,437
41	Extraordinary Items	-	-	-	-	-	-
42	Net Income	950,266	5,269,786	6,220,052	686,813	5,520,623	6,207,437

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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	37,919,825	28,023,587	65,943,412	54,855,729	31,650,738	86,506,466
1.1	Guarantees Issued	26,662,913	18,149,612	44,812,525	43,784,160	24,853,266	68,637,426
1.2	Letters of credit Issued	2,295,000	794,720	3,089,720	1,954,000	805,457	2,759,457
1.3	Undrawn loan commitments	8,961,912	5,722,968	14,684,880	9,117,568	5,992,016	15,109,584
1.4	Other Contingent Liabilities	0	3,356,287	3,356,287	0	0	0
2	Guarantees received as security for liabilities of the bank	0	3,356,287	3,356,287	0	0	0
3	Assets pledged as security for liabilities of the bank	42,149,000	0	42,149,000	31,670,000	0	31,670,000
3.1	Financial assets of the bank	42,149,000	0	42,149,000	31,670,000	0	31,670,000
3.2	Non-financial assets of the bank	0	0	0	0	0	0
4	Guarantees received as security for receivables of the bank	176,179,846	366,036,002	542,215,847	174,986,966	290,510,459	465,497,426
4.1	Surety, joint liability	176,179,846	366,036,002	542,215,847	174,986,966	290,510,459	465,497,426
4.2	Guarantees	0	0	0	0	0	0
5	Assets pledged as security for receivables of the bank	794,157,263	810,502,525	1,604,659,788	473,376,717	628,158,909	1,101,535,626
5.1	Cash	18,490,965	39,467,913	57,958,879	32,373,960	29,634,951	62,008,911
5.2	Precious metals and stones	58,905,767	25,804,830	84,710,597	67,585,800	44,207,804	111,793,605
5.3	Real Estate:	671,327,491	688,435,954	1,359,763,446	322,517,940	506,445,380	828,963,320
5.3.1	Residential Property	517,726,381	311,040,564	828,766,946	208,629,443	247,217,298	455,846,740
5.3.2	Commercial Property	88,128,430	276,479,289	364,607,720	70,378,941	206,269,382	276,648,322
5.3.3	Complex Real Estate	8,135,747	11,357,306	19,493,053	7,688,255	9,807,568	17,495,824
5.3.4	Land Parcel	35,333,985	58,628,803	93,962,788	21,675,115	33,389,662	55,064,777
5.3.5	Other	22,002,947	30,929,993	52,932,940	14,146,186	9,761,471	23,907,657
5.4	Movable Property	11,817,789	13,446,475	25,264,264	6,281,261	16,847,059	23,128,320
5.5	Shares Pledged	0	0	0	0	0	0
5.6	Securities	0	0	0	0	0	0
5.7	Other	33,615,250	43,347,353	76,962,603	44,617,757	31,023,715	75,641,471
6	Derivatives	27,940,797	27,533,022	55,473,819	39,549,501	37,852,963	77,402,464
6.1	Receivables through FX contracts (except options)	27,940,797	0	27,940,797	39,549,501	0	39,549,501
6.2	Payables through FX contracts (except options)	0	27,533,022	27,533,022	0	37,852,963	37,852,963
6.3	Principal of interest rate contracts (except options)	0	0	0	0	0	0
6.4	Options sold	0	0	0	0	0	0
6.5	Options purchased	0	0	0	0	0	0
6.6	Nominal value of potential receivables through other derivatives	0	0	0	0	0	0
6.7	Nominal value of potential payables through other derivatives	0	0	0	0	0	0
7	Receivables not recognized on-balance	0	0	0	0	0	0
7.1	Principal of receivables derecognized during last 3 month	176,593	15,849	192,443	380,745	46,734	427,480
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	1,525,600	1,511,788	3,037,388	1,728,290	7,322,148	9,050,438
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	5,317,451	14,030,297	19,347,747	6,076,040	6,287,476	12,363,516
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	42,393,395	70,204,780	112,598,175	46,921,877	56,892,179	103,814,055
8	Non-cancelable operating lease	0	0	0	0	0	0
8.1	Through indefinit term agreement	0	0	0	0	0	0
8.2	Within one year	0	0	0	0	0	0
8.3	From 1 to 2 years	0	0	0	0	0	0
8.4	From 2 to 3 years	0	0	0	0	0	0
8.5	From 3 to 4 years	0	0	0	0	0	0
8.6	From 4 to 5 years	0	0	0	0	0	0
8.7	More than 5 years	0	0	0	0	0	0
9	Capital expenditure commitment	0	0	0	0	0	0

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Table 5

Risk Weighted Assets

in Lari

N		3/31/2019	12/31/2018
1	Risk Weighted Assets for Credit Risk	797,652,422	782,971,070
1.1	Balance sheet items	775,998,999	761,389,484
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	0	0
1.2	Off-balance sheet items	21,102,762	20,750,234
1.3	Counterparty credit risk	550,660	831,352
2	Risk Weighted Assets for Market Risk	8,189,475	5,743,310
3	Risk Weighted Assets for Operational Risk	83,668,962	83,668,962
4	Total Risk Weighted Assets	889,510,859	872,383,343

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

Members of Supervisory Board		
1	H.H. Sheikh Nahayan Mabarak Al Nahayan (Chairman)	
2	H.E. Sheikh Saif Mohammed Bin Buti Al Hamed (Deputy)	
3	Semi Edvard Adam Khalil (Member)	
4	Seiti Devdariani (Member)	
5	Geert Roelof De Korte (Member)	
6	Adel Safwat Guirguis Rupaeil (Advisor)	
Members of Board of Directors		
1	Thea Lortkipanidze (Chief Executive Officer)	
2	Sophia Jugeli (Chief Financial Officer)	
3	Teimuraz Abuladze (Chief Risks Officer)	
4	Vakhtang Khutsishvili (Chief Operating Officer)	
5	Zurab Azarashvili (Chief Commercial Officer)	
List of Shareholders owning 1% and more of issued capital, indicating Shares		
1	H.H. Sheikh Nahayan Mabarak Al Nahayan	45%
2	H.H. Sheikh Hamdan Bin Zayed Al Nahayan	20%
3	H.H. Sheikh Mansoor Binzayed Binsultan Al-Nahyan	15%
4	H.E. Sheikh Mohamed Butti Alhamed	15%
5	LTD "INVESTMENT TRADING GROUP"	5%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares		
1	H.H. Sheikh Nahayan Mabarak Al Nahayan	45%
2	H.H. Sheikh Hamdan Bin Zayed Al Nahayan	20%
3	H.H. Sheikh Mansoor Binzayed Binsultan Al-Nahyan	15%
4	H.E. Sheikh Mohamed Butti Alhamed	15%
5		

Bank: Terabank

Date: 3/31/2019

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 standardized 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	32,566,723	0	32,566,723
2	Due from NBG	129,623,955	0	129,623,955
3	Due from Banks	28,138,980	0	28,138,980
4	Dealing Securities	0	0	0
5	Investment Securities	50,060,375	0	50,060,375
6.1	Loans	702,048,217	0	702,048,217
6.2	Less: Loan Loss Reserves	-38,386,041	0	-38,386,041
6	Net Loans	663,662,176	0	663,662,176
7	Accrued Interest and Dividends Receivable	6,074,954	0	6,074,954
8	Other Real Estate Owned & Repossessed Assets	884,779	0	884,779
9	Equity Investments	0	0	0
10	Fixed Assets and Intangible Assets	48,403,884	22,958,343	25,445,541
11	Other Assets	5,265,488	0	5,265,488
	Total exposures subject to credit risk weighting before adjustments	964,681,313	22,958,343	941,722,970

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

1	Total carrying value of balance sheet items subject to credit risk weighting before adjustments	941,722,970
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	62,841,405
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	27,533,022
3	Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes	1,032,097,397
4	Effect of provisioning rules used for capital adequacy purposes	12,076,582
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-29,001,984
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	-26,982,362
6	Effect of other adjustments	0
7	Total exposures subject to credit risk weighting	988,189,634

Table 9

Regulatory capital

N		in Lari
1	Common Equity Tier 1 capital before regulatory adjustments	133,936,784
2	Common shares that comply with the criteria for Common Equity Tier 1	121,372,000
3	Stock surplus (share premium) of common share that meets the criteria of Common Equity Tier 1	0
4	Accumulated other comprehensive income	0
5	Other disclosed reserves	0
6	Retained earnings (loss)	12,564,784
7	Regulatory Adjustments of Common Equity Tier 1 capital	22,958,343
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	22,958,343
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	0
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	110,978,441
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	53,736,892
37	Instruments that comply with the criteria for Tier 2 capital	43,766,237
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	9,970,655
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	53,736,892

Bank: Terabank

Date:

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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%	40,027,989
1.2	Minimum Tier 1 Requirement	6.00%	53,370,652
1.3	Minimum Regulatory Capital Requirement	8.00%	71,160,869
2	Combined Buffer		
2.1	Capital Conservation Buffer	2.50%	22,237,771
2.2	Countercyclical Buffer	0.00%	-
2.3	Systemic Risk Buffer	0.00%	-
3	Pillar 2 Requirements		
3.1	CET1 Pillar 2 Requirement	2.13%	18,939,998
3.2	Tier 1 Pillar2 Requirement	2.85%	25,332,885
3.3	Regulatory capital Pillar 2 Requirement	6.86%	61,032,814
	Total Requirements	Ratios	Amounts (GEL)
4	CET1	9.13%	81,205,758
5	Tier 1	11.35%	100,941,308
6	Total regulatory Capital	17.36%	154,431,454

Bank: Terabank
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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	32,566,723	
2	Due from NBG	129,623,955	
3	Due from Banks	26,138,980	
4	Dealing Securities	0	
5	Investment Securities	50,060,375	
6.1	Loans	702,048,217	
6.2	Less: Loan Loss Reserves	-38,386,041	
6	Net Loans	663,662,176	
7	Accrued Interest and Dividends Receivable	6,074,954	
8	Other Real Estate Owned & Repossessed Assets	884,779	
9	Equity Investments	0	
10	Fixed Assets and Intangible Assets	48,403,884	
10.1	Of which intangible assets	22,958,343	table 9 (Capital), N10
11	Other Assets	5,265,488	
12	Total assets	964,681,313	
13	Due to Banks	288,580	
14	Current (Accounts) Deposits	183,773,326	
15	Demand Deposits	213,011,436	
16	Time Deposits	255,840,057	
17	Own Debt Securities	0	
18	Borrowings	100,022,303	
19	Accrued Interest and Dividends Payable	4,858,482	
20	Other Liabilities	23,800,478	
21	Subordinated Debentures	49,149,867	
21.1	Of which tier II capital qualifying instruments	43,766,237	
22	Total liabilities	830,744,529	
23	Common Stock	121,372,000	
24	Preferred Stock	0	
25	Less: Repurchased Shares	0	
26	Share Premium	0	
27	General Reserves	0	
28	Retained Earnings	12,564,784	
29	Asset Revaluation Reserves	0	
30	Total Equity Capital	133,936,784	

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

Exposure classes	Risk weights																Risk Weighted Exposures before Credit Risk Mitigation	
	0%		20%		35%		50%		75%		100%		150%		250%			
	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	59,784,939	-	-	-	-	-	-	-	-	-	-	122,410,137	-	-	-	-	-	122,410,137
2 Claims or contingent claims on regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Claims or contingent claims on public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Claims or contingent claims on multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Claims or contingent claims on international organizations/institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Claims or contingent claims on commercial banks	-	-	20,455,488	-	-	-	6,311,229	-	-	-	-	1,372,262	-	-	-	-	-	8,618,974
7 Claims or contingent claims on corporates	-	-	-	-	-	-	-	-	-	-	-	332,887,271	28,158,049	-	-	-	-	361,045,319
8 Retail claims or contingent retail claims	-	-	-	-	-	-	-	-	209,857,284	5,681,373	-	-	-	-	-	-	-	161,653,992
9 Claims or contingent claims secured by mortgages on residential property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Past due items	-	-	-	-	-	-	-	-	-	-	-	15,789,175	-	1,341,485	-	-	-	17,801,403
11 Items belonging to regulatory high-risk categories	-	-	-	-	-	-	-	-	-	-	-	84,290,464	-	36,846,140	-	-	-	139,559,675
12 Short-term claims on commercial banks and corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Claims in the form of collective investment undertakings ("CIU")	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Other items	40,853,783	-	12,680	-	-	-	-	-	-	-	-	21,587,215	-	-	-	-	-	21,589,751
Total	100,638,722	-	20,468,168	-	-	-	6,311,229	-	209,857,284	5,681,373	-	578,336,524	28,158,049	38,187,626	-	-	-	832,679,252

Bank: Terabank
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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							
1	Claims or contingent claims on central governments or central banks	182,195,076	-	-	122,410,137	122,410,137	67%
2	Claims or contingent claims on regional governments or local authorities	-	-	-	-	-	
3	Claims or contingent claims on public sector entities	-	-	-	-	-	
4	Claims or contingent claims on multilateral development banks	-	-	-	-	-	
5	Claims or contingent claims on international organizations/institutions	-	-	-	-	-	
6	Claims or contingent claims on commercial banks	28,138,980	-	-	8,618,974	8,618,974	31%
7	Claims or contingent claims on corporates	332,887,271	50,899,325	28,158,049	361,045,319	328,649,703	91%
8	Retail claims or contingent retail claims	209,857,284	11,942,080	5,681,373	161,653,992	158,472,119	74%
9	Claims or contingent claims secured by mortgages on residential property	-	-	-	-	-	
10	Past due items	17,130,660	-	-	17,801,403	17,801,403	104%
11	Items belonging to regulatory high-risk categories	121,136,604	-	-	139,559,675	139,559,675	115%
12	Short-term claims on commercial banks and corporates	-	-	-	-	-	
13	Claims in the form of collective investment undertakings ('CIU')	-	-	-	-	-	
14	Other items	62,453,678	-	-	21,589,751	21,589,751	35%
	Total	953,799,553	62,841,405	33,839,421	832,679,252	797,101,761	81%

Bank: Terabank
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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				54,615,732	127,790,420	182,406,152	53,436,676	134,909,542	188,346,218
Cash outflows										
2	Retail deposits	62,424,742	211,095,471	273,520,214	10,301,543	38,885,245	49,186,788	2,674,713	9,464,897	12,139,610
3	Unsecured wholesale funding	169,002,757	316,983,798	485,986,555	41,725,644	85,817,805	127,543,449	37,846,174	70,620,463	108,466,637
4	Secured wholesale funding	24,244,444	-	24,244,444	-	-	-	-	-	-
5	Outflows related to off-balance sheet obligations and net short position of derivative exposures	36,330,010	24,602,669	60,932,679	5,020,387	2,981,033	8,001,420	1,992,261	1,359,895	3,352,156
6	Other contractual funding obligations	5,971,101	2,219,256	8,190,357	-	-	-	-	-	-
7	Other contingent funding obligations	2,940,454	5,537,279	8,477,734	1,296,117	2,687,514	3,983,631	1,296,117	2,687,514	3,983,631
8	TOTAL CASH OUTFLOWS	300,913,508	560,438,474	861,351,982	58,343,690	130,371,598	188,715,288	43,809,264	84,132,770	127,942,034
Cash inflows										
9	Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	228,133,860	399,122,274	627,256,134	16,996,971	11,952,162	28,949,133	18,176,027	34,413,362	52,589,389
11	Other cash inflows	1,614,592	374,799	1,989,391	558,893	358,128	917,020	558,893	358,128	917,020
12	TOTAL CASH INFLOWS	229,748,452	399,497,073	629,245,525	17,555,864	12,310,289	29,866,153	18,734,920	34,771,489	53,506,409
					Total value according to NBG's methodology* (with limits)			Total value according to Basel methodology (with limits)		
13	Total HQLA				54,615,732	127,790,420	182,406,152	53,436,676	134,909,542	188,346,218
14	Net cash outflow				40,787,826	118,061,309	158,849,135	25,074,345	49,361,281	74,435,625
15	Liquidity coverage ratio (%)				134%	108%	115%	213%	273%	253%

* 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: Terabank
 Date:

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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											
	27,533,022		550,660	0	0	0	0	0	550,660	0	0	550,660
1.1	Maturity less than 1 year	2.0%	550,660	0	0	0	0	0	550,660	0	0	550,660
1.2	Maturity from 1 year up to 2 years	5.0%	0	0	0	0	0	0	0	0	0	0
1.3	Maturity from 2 years up to 3 years	8.0%	0	0	0	0	0	0	0	0	0	0
1.4	Maturity from 3 years up to 4 years	11.0%	0	0	0	0	0	0	0	0	0	0
1.5	Maturity from 4 years up to 5 years	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	0.5%	0	0	0	0	0	0	0	0	0	0
2.2	Maturity from 1 year up to 2 years	1.0%	0	0	0	0	0	0	0	0	0	0
2.3	Maturity from 2 years up to 3 years	2.0%	0	0	0	0	0	0	0	0	0	0
2.4	Maturity from 3 years up to 4 years	3.0%	0	0	0	0	0	0	0	0	0	0
2.5	Maturity from 4 years up to 5 years	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		550,660	0	0	0	0	0	550,660	0	0	550,660

Bank: Terabank

Date:

3/31/2019

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)	964,681,314
2	(Asset amounts deducted in determining Tier 1 capital)	(22,958,343)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	941,722,970
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 m	-
EU-5a	Exposure determined under Original Exposure Method	550,660
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 trans	-
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)	550,660
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	62,841,405
18	(Adjustments for conversion to credit equivalent amounts)	(29,001,984)
19	Other off-balance sheet exposures (sum of lines 17 to 18)	33,839,421
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	110,978,441
21	Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-1	976,113,052
Leverage ratio		
22	Leverage ratio	11.37%
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	-