

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:

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Table 1 **Key metrics**

N		9/30/2019	6/30/2019	3/31/2019	12/31/2018	9/30/2018
	Regulatory capital (amounts, GEL)					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CET1)	116,068,649	108,722,462	110,978,441	104,601,555	102,318,427
2	Tier 1	116,068,649	108,722,462	110,978,441	104,601,555	102,318,427
3	Total regulatory capital	177,356,901	167,351,193	164,715,333	156,412,414	145,542,152
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	940,885,173	932,602,568	889,510,859	872,383,343	849,999,538
	Capital ratios as a percentage of RWA					
	<i>Based on Basel III framework</i>					
5	Common equity Tier 1 ratio >=9.1%	12.34%	11.66%	12.48%	11.99%	12.04%
6	Tier 1 ratio >=11.31%	12.34%	11.66%	12.48%	11.99%	12.04%
7	Total Regulatory Capital ratio >=17.27%	18.85%	17.94%	18.52%	17.93%	17.12%
	Income					
8	Total Interest Income /Average Annual Assets	7.98%	8.03%	8.06%	8.72%	8.77%
9	Total Interest Expense / Average Annual Assets	3.72%	3.70%	3.65%	4.02%	4.07%
10	Earnings from Operations / Average Annual Assets	2.30%	2.47%	2.92%	3.15%	3.76%
11	Net Interest Margin	4.25%	4.34%	4.41%	4.70%	4.71%
12	Return on Average Assets (ROAA)	2.75%	2.67%	2.63%	2.09%	2.50%
13	Return on Average Equity (ROAE)	20.34%	19.56%	18.97%	14.64%	17.31%
	Asset Quality					
14	Non Performed Loans / Total Loans	6.60%	7.17%	7.29%	7.28%	8.36%
15	LLR/Total Loans	5.36%	5.48%	5.47%	5.40%	6.78%
16	FX Loans/Total Loans	61.95%	63.20%	61.32%	60.91%	59.25%
17	FX Assets/Total Assets	60.27%	61.06%	60.33%	59.24%	57.82%
18	Loan Growth-YTD	4.14%	6.21%	0.76%	17.85%	12.00%
	Liquidity					
19	Liquid Assets/Total Assets	25.65%	20.56%	21.00%	22.44%	22.19%
20	FX Liabilities/Total Liabilities	68.67%	64.11%	67.88%	65.16%	63.71%
21	Current & Demand Deposits/Total Assets	35.87%	40.16%	41.13%	43.75%	41.82%
	Liquidity Coverage Ratio***					
22	Total HQLA	227,311,185	175,731,209	182,406,152	178,068,289	174,272,852
23	Net cash outflow	171,809,200	157,540,760	158,849,135	146,477,088	143,725,543
24	LCR ratio (%)	132.30%	111.55%	114.83%	121.57%	121.25%

*** 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.

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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	18,658,941	15,964,789	34,623,730	13,370,315	20,824,287	34,194,602
2	Due from NBG	17,663,295	148,922,438	166,585,734	10,379,664	105,034,495	115,414,160
3	Due from Banks	44,396	19,927,005	19,971,401	799,168	24,870,048	25,669,216
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	52,962,060	0	52,962,060	50,372,344	0	50,372,344
6.1	Loans	276,084,596	449,529,544	725,614,140	269,828,923	392,285,041	662,113,964
6.2	Less: Loan Loss Reserves	-17,611,471	-21,272,822	-38,884,294	-18,113,536	-26,802,669	-44,916,206
6	Net Loans	258,473,125	428,256,722	686,729,847	251,715,387	365,482,372	617,197,759
7	Accrued Interest and Dividends Receivable	2,885,510	2,206,340	5,091,850	2,953,321	2,675,832	5,629,153
8	Other Real Estate Owned & Repossessed Assets	1,639,652	0	1,639,652	1,103,541	0	1,103,541
9	Equity Investments	0	0	0	0	0	0
10	Fixed Assets and Intangible Assets	47,474,797	0	47,474,797	45,133,527	0	45,133,527
11	Other Assets	6,494,104	952,593	7,446,696	3,180,076	751,356	3,931,432
12	Total assets	406,295,879	616,229,887	1,022,525,766	379,007,343	519,638,390	898,645,734
	Liabilities						
13	Due to Banks	9,883	5,119,218	5,129,100	4,008	237,339	241,347
14	Current (Accounts) Deposits	63,459,790	135,484,893	198,944,683	66,360,855	133,304,673	199,665,527
15	Demand Deposits	65,098,271	102,717,343	167,815,614	70,427,757	105,752,645	176,180,402
16	Time Deposits	99,645,511	221,804,180	321,449,691	77,194,343	174,921,476	252,115,820
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	39,949,500	70,516,200	110,465,700	56,055,000	16,462,055	72,517,055
19	Accrued Interest and Dividends Payable	2,588,450	2,276,911	4,865,360	2,383,087	1,763,574	4,146,662
20	Other Liabilities	5,883,278	13,452,282	19,335,560	6,315,858	19,168,494	25,484,352
21	Subordinated Debentures	0	55,075,691	55,075,691	0	37,659,322	37,659,322
22	Total liabilities	276,634,682	606,446,718	883,081,400	278,740,908	489,269,577	768,010,486
	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	18,072,366	0	18,072,366	9,263,248	0	9,263,248
29	Asset Revaluation Reserves	0	0	0	0	0	0
30	Total Equity Capital	139,444,366	0	139,444,366	130,635,248	0	130,635,248
31	Total liabilities and Equity Capital	416,079,048	606,446,718	1,022,525,766	409,376,157	489,269,577	898,645,734

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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	635,770	260,972	896,742	542,795	312,419	855,214
2	Interest Income from Loans	24,738,650	26,585,490	51,324,141	24,015,895	24,189,485	48,205,380
2.1	from the Interbank Loans	-	-	-	-	-	-
2.2	from the Retail or Service Sector Loans	4,205,408	10,254,409	14,459,817	4,891,770	9,728,376	14,620,146
2.3	from the Energy Sector Loans	-	181,892	181,892	-	192,123	192,123
2.4	from the Agriculture and Forestry Sector Loans	684,449	213,717	898,167	645,302	235,501	880,803
2.5	from the Construction Sector Loans	274,308	2,774,028	3,048,336	413,677	2,468,908	2,882,585
2.6	from the Mining and Mineral Processing Sector Loans	11,687	12,410	24,097	2,081	35,122	37,203
2.7	from the Transportation or Communications Sector Loans	151	353,686	353,837	4,175	654,323	658,497
2.8	from Individuals Loans	16,540,991	11,179,313	27,720,304	13,186,692	8,338,176	21,524,869
2.9	from Other Sectors Loans	3,021,656	1,616,034	4,637,690	4,872,198	2,536,956	7,409,154
3	Fees/penalties income from loans to customers	1,212,014	1,472,957	2,684,971	895,560	1,141,974	2,037,534
4	Interest and Discount Income from Securities	3,251,362	-	3,251,362	3,054,424	-	3,054,424
5	Other Interest Income	552,833	297,641	850,474	994,271	419,474	1,413,745
6	Total Interest Income	30,390,630	28,617,060	59,007,689	29,502,945	26,063,352	55,566,296
	Interest Expense						
7	Interest Paid on Demand Deposits	3,951,274	2,368,619	6,319,893	5,172,081	2,568,657	7,740,739
8	Interest Paid on Time Deposits	7,357,836	6,340,921	13,698,757	5,964,446	5,176,614	11,141,060
9	Interest Paid on Banks Deposits	6,368	36,936	43,305	135,888	70,778	206,666
10	Interest Paid on Own Debt Securities	-	-	-	-	-	-
11	Interest Paid on Other Borrowings	3,726,788	3,759,130	7,485,918	4,206,628	2,464,083	6,670,711
12	Other Interest Expenses	-	-	-	-	-	-
13	Total Interest Expense	15,042,266	12,505,606	27,547,872	15,479,043	10,280,132	25,759,175
14	Net Interest Income	15,348,364	16,111,453	31,459,817	14,023,901	15,783,220	29,807,121
	Non-Interest Income						
15	Net Fee and Commission Income	2,570,209	721,651	3,291,860	2,617,234	926,104	3,543,338
15.1	Fee and Commission Income	4,047,515	2,735,286	6,782,801	3,895,007	2,828,798	6,723,805
15.2	Fee and Commission Expense	1,477,306	2,013,636	3,490,941	1,277,773	1,902,694	3,180,467
16	Dividend Income	-	-	-	-	-	-
17	Gain (Loss) from Dealing Securities	-	-	-	-	-	-
18	Gain (Loss) from Investment Securities	-	-	-	-	-	-
19	Gain (Loss) from Foreign Exchange Trading	615,415	-	615,415	6,694,963	-	6,694,963
20	Gain (Loss) from Foreign Exchange Translation	3,617,574	-	3,617,574	(1,303,685)	-	(1,303,685)
21	Gain (Loss) on Sales of Fixed Assets	996,862	-	996,862	397,115	-	397,115
22	Non-Interest Income from other Banking Operations	10,230	6,793	17,023	34,834	598,548	633,382
23	Other Non-Interest Income	147,751	120,437	268,187	143,090	76,944	220,034
24	Total Non-Interest Income	7,958,041	848,880	8,806,921	8,583,551	1,601,595	10,185,146
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	460,982	416,906	877,888	511,137	473,733	984,870
26	Bank Development, Consultation and Marketing Expenses	1,220,505	20,620	1,241,125	1,267,805	42,201	1,310,006
27	Personnel Expenses	9,854,186	-	9,854,186	8,432,323	-	8,432,323
28	Operating Costs of Fixed Assets	-	-	-	7,117	-	7,117
29	Depreciation Expense	3,362,073	-	3,362,073	2,372,748	-	2,372,748
30	Other Non-Interest Expenses	3,305,633	7,320	3,312,953	3,952,176	280	3,952,456
31	Total Non-Interest Expenses	18,203,379	444,846	18,648,225	16,543,307	516,213	17,059,520
32	Net Non-Interest Income	(10,245,338)	404,034	(9,841,304)	(7,959,755)	1,085,382	(6,874,374)
33	Net Income before Provisions	5,103,025	16,515,487	21,618,512	6,064,146	16,868,601	22,932,747
34	Loan Loss Reserve	1,857,946	-	1,857,946	3,010,386	-	3,010,386
35	Provision for Possible Losses on Investments and Securities	-	-	-	-	-	-
36	Provision for Possible Losses on Other Assets	(599,786)	-	(599,786)	4,075,527	-	4,075,527
37	Total Provisions for Possible Losses	1,258,160	-	1,258,160	7,085,912	-	7,085,912
38	Net Income before Taxes and Extraordinary Items	3,844,866	16,515,487	20,360,353	(1,021,766)	16,868,601	15,846,835
39	Taxation	-	-	-	-	-	-
40	Net Income after Taxation	3,844,866	16,515,487	20,360,353	(1,021,766)	16,868,601	15,846,835
41	Extraordinary Items	-	-	-	-	-	-
42	Net Income	3,844,866	16,515,487	20,360,353	(1,021,766)	16,868,601	15,846,835

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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	30,811,270	28,554,141	59,365,412	46,461,232	29,036,935	75,498,168
1.1	Guarantees Issued	20,896,390	20,481,803	41,378,193	34,052,294	21,759,915	55,812,208
1.2	Letters of credit Issued	2,176,900	1,975,034	4,151,934	1,979,000	724,266	2,703,266
1.3	Undrawn loan commitments	7,737,980	6,097,304	13,835,284	10,429,939	3,450,143	13,880,082
1.4	Other Contingent Liabilities	0	0	0	0	3,102,612	3,102,612
2	Guarantees received as security for liabilities of the bank	0	0	0	0	0	0
3	Assets pledged as security for liabilities of the bank	15,021,000	0	15,021,000	26,418,000	0	26,418,000
3.1	Financial assets of the bank	15,021,000	0	15,021,000	26,418,000	0	26,418,000
3.2	Non-financial assets of the bank	0	0	0	0	0	0
4	Guarantees received as security for receivables of the bank	163,659,514	375,103,194	538,762,709	186,779,638	332,689,723	519,469,361
4.1	Surety, joint liability	163,659,514	375,103,194	538,762,709	186,779,638	332,689,723	519,469,361
4.2	Guarantees	0	0	0	0	0	0
5	Assets pledged as security for receivables of the bank	622,123,575	857,117,466	1,479,241,041	520,900,895	684,083,763	1,204,984,657
5.1	Cash	13,939,223	33,099,412	47,038,635	20,839,232	30,524,006	51,363,238
5.2	Precious metals and stones	51,871,188	17,748,709	69,619,897	68,425,893	29,957,220	98,383,112
5.3	Real Estate:	502,969,530	778,976,107	1,281,945,636	373,034,191	580,198,171	953,232,362
5.3.1	Residential Property	317,649,572	334,665,309	652,314,880	243,196,061	262,447,567	505,643,628
5.3.2	Commercial Property	100,867,397	312,746,406	413,613,803	77,867,224	248,975,592	326,842,816
5.3.3	Complex Real Estate	13,103,981	15,412,730	28,516,711	8,435,965	11,940,205	20,376,169
5.3.4	Land Parcel	44,088,932	62,263,190	106,352,122	29,292,644	43,042,026	72,334,671
5.3.5	Other	27,259,648	53,888,471	81,148,119	14,242,297	13,792,781	28,035,078
5.4	Movable Property	15,160,813	14,702,039	29,862,852	9,563,580	13,827,662	23,391,242
5.5	Shares Pledged	0	0	0	0	0	0
5.6	Securities	0	0	0	0	0	0
5.7	Other	38,182,821	12,591,199	50,774,020	49,037,999	29,576,704	78,614,703
6	Derivatives	22,642,089	22,542,266	45,184,354	36,708,034	37,531,915	74,239,949
6.1	Receivables through FX contracts (except options)	22,642,089	22,542,266	45,184,354	36,708,034	37,531,915	74,239,949
6.2	Payables through FX contracts (except options)	0	22,542,266	22,542,266	0	37,531,915	37,531,915
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	1,252,868	14,122	1,266,990	601,776	74,217	675,993
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	999,296	1,132,248	2,131,544	1,883,001	7,591,349	9,474,350
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	6,199,777	15,283,752	21,483,529	6,902,071	6,726,726	13,628,797
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	42,691,614	75,943,013	118,634,627	46,934,596	69,139,640	116,074,236
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		9/30/2019	6/30/2019
1	Risk Weighted Assets for Credit Risk	851,701,780	841,740,949
1.1	Balance sheet items	830,328,759	818,338,203
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	0	0
1.2	Off-balance sheet items	20,922,176	22,085,812
1.3	Counterparty credit risk	450,845	1,316,935
2	Risk Weighted Assets for Market Risk	5,514,431	7,192,656
3	Risk Weighted Assets for Operational Risk	83,668,962	83,668,962
4	Total Risk Weighted Assets	940,885,173	932,602,568

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Date:

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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: 9/30/2019

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	34,623,730	0	34,623,730
2	Due from NBG	166,585,734	0	166,585,734
3	Due from Banks	19,971,401	0	19,971,401
4	Dealing Securities	0	0	0
5	Investment Securities	52,962,060	0	52,962,060
6.1	Loans	725,614,140	0	725,614,140
6.2	Less: Loan Loss Reserves	-38,884,294	0	-38,884,294
6	Net Loans	686,729,847	0	686,729,847
7	Accrued Interest and Dividends Receivable	5,091,850	0	5,091,850
8	Other Real Estate Owned & Repossessed Assets	1,639,652	0	1,639,652
9	Equity Investments	0	0	0
10	Fixed Assets and Intangible Assets	47,474,797	23,375,717	24,099,080
11	Other Assets	7,446,696	0	7,446,696
Total exposures subject to credit risk weighting before adjustments		1,022,525,766	23,375,717	999,150,049

Bank: Terabank

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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	999,150,049
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	55,200,190
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	22,542,266
3	Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes	1,076,892,505
4	Effect of provisioning rules used for capital adequacy purposes	12,500,781
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-26,000,681
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	-22,091,420
6	Effect of other adjustments	0
7	Total exposures subject to credit risk weighting	1,041,301,184

Table 9

Regulatory capital

N		in Lari
1	Common Equity Tier 1 capital before regulatory adjustments	139,444,366
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)	18,072,366
7	Regulatory Adjustments of Common Equity Tier 1 capital	23,375,717
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	23,375,717
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	116,068,649
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	61,288,252
37	Instruments that comply with the criteria for Tier 2 capital	50,641,979
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	10,646,272
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	61,288,252

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%	42,339,833
1.2	Minimum Tier 1 Requirement	6.00%	56,453,110
1.3	Minimum Regulatory Capital Requirement	8.00%	75,270,814
2	Combined Buffer		
2.1	Capital Conservation Buffer	2.50%	23,522,129
2.2	Countercyclical Buffer	0.00%	-
2.3	Systemic Risk Buffer	0.00%	-
3	Pillar 2 Requirements		
3.1	CET1 Pillar 2 Requirement	2.10%	19,796,848
3.2	Tier 1 Pillar2 Requirement	2.81%	26,479,019
3.3	Regulatory capital Pillar 2 Requirement	6.77%	63,736,984
	Total Requirements	Ratios	Amounts (GEL)
4	CET1	9.10%	85,658,810
5	Tier 1	11.31%	106,454,259
6	Total regulatory Capital	17.27%	162,529,928

Bank: Terabank

Date:

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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	34,623,730	
2	Due from NBG	166,585,734	
3	Due from Banks	19,971,401	
4	Dealing Securities	0	
5	Investment Securities	52,962,060	
6.1	Loans	725,614,140	
6.2	Less: Loan Loss Reserves	-38,884,294	
6	Net Loans	686,729,847	
7	Accrued Interest and Dividends Receivable	5,091,850	
8	Other Real Estate Owned & Repossessed Assets	1,639,652	
9	Equity Investments	0	
10	Fixed Assets and Intangible Assets	47,474,797	
10.1	Of which intangible assets	23,375,717	table 9 (Capital), N10
11	Other Assets	7,446,696	
12	Total assets	1,022,525,766	
13	Due to Banks	5,129,100	
14	Current (Accounts) Deposits	198,944,683	
15	Demand Deposits	167,815,614	
16	Time Deposits	321,449,691	
17	Own Debt Securities	0	
18	Borrowings	110,465,700	
19	Accrued Interest and Dividends Payable	4,865,360	
20	Other Liabilities	19,335,560	
21	Subordinated Debentures	55,075,691	
21.1	Of which tier II capital qualifying instruments	50,641,979	
22	Total liabilities	883,081,400	
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	18,072,366	
29	Asset Revaluation Reserves	0	
30	Total Equity Capital	139,444,366	

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	73,740,589	-	-	-	-	-	-	-	-	-	-	148,922,445	-	-	-	-	-	148,922,445
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	-	-	14,124,977	-	-	-	5,163,888	-	-	-	-	682,536	-	-	-	-	-	6,089,475
7 Claims or contingent claims on corporates	-	-	-	-	-	-	-	-	-	-	-	352,047,889	23,806,864	-	-	-	-	375,854,852
8 Retail claims or contingent retail claims	-	-	-	-	-	-	-	-	207,804,930	5,392,645	-	-	-	-	-	-	-	159,898,182
9 Claims or contingent claims secured by mortgages on residential property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Past due items	-	-	-	-	-	-	-	-	-	-	-	18,602,014	-	1,218,194	-	-	-	20,429,305
11 Items belonging to regulatory high-risk categories	-	-	-	-	-	-	-	-	-	-	-	88,710,448	-	35,373,739	-	-	-	141,771,056
12 Short-term claims on commercial banks and corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Claims in the form of collective investment undertakings ("CIU")	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Other items	33,072,347	-	1,551,383	-	-	-	-	-	-	-	-	30,635,351	-	-	-	-	-	30,945,627
Total	106,812,936	-	15,676,361	-	-	-	5,163,888	-	207,804,930	5,392,645	-	639,600,783	23,806,864	36,591,932	-	-	-	883,910,943

Bank: Terabank
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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 - Nominal value	Off-balance sheet exposures post CCF	RWA before Credit Risk Mitigation	RWA post Credit Risk Mitigation	RWA Density f=e/(a+c)
Asset Classes							
1	Claims or contingent claims on central governments or central banks	222,663,034	-	-	148,922,445	148,922,445	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	19,971,401	-	-	6,089,475	6,089,475	30%
7	Claims or contingent claims on corporates	352,047,989	44,465,206	23,806,864	375,854,852	345,667,565	92%
8	Retail claims or contingent retail claims	207,804,930	10,734,984	5,392,645	159,898,182	157,426,546	74%
9	Claims or contingent claims secured by mortgages on residential property	-	-	-	-	-	
10	Past due items	19,820,208	-	-	20,429,305	20,428,221	103%
11	Items belonging to regulatory high-risk categories	124,084,187	-	-	141,771,056	141,771,056	114%
12	Short-term claims on commercial banks and corporates	-	-	-	-	-	
13	Claims in the form of collective investment undertakings ('CIU')	-	-	-	-	-	
14	Other items	65,259,080	-	-	30,945,627	30,945,627	47%
	Total	1,011,650,830	55,200,190	29,199,509	883,910,943	851,250,935	82%

Bank: Terabank
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9/30/2019

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				86,517,460	140,793,726	227,311,185	78,312,352	160,607,275	238,919,626
Cash outflows										
2	Retail deposits	76,031,075	236,943,765	312,974,841	12,813,586	42,368,513	55,182,099	3,164,537	9,859,889	13,024,426
3	Unsecured wholesale funding	185,220,435	351,935,396	537,155,831	46,805,405	81,340,335	128,145,739	40,178,639	64,107,222	104,285,862
4	Secured wholesale funding	10,228,261	-	10,228,261	-	-	-	-	-	-
5	Outflows related to off-balance sheet obligations and net short position of derivative exposures	30,284,173	25,470,383	55,754,556	4,292,744	3,462,715	7,755,460	1,685,663	1,478,048	3,163,711
6	Other contractual funding obligations	3,470,407	2,146,853	5,617,260	-	-	-	-	-	-
7	Other contingent funding obligations	3,410,602	4,613,867	8,024,469	1,832,998	1,531,155	3,364,153	1,832,998	1,531,155	3,364,153
8	TOTAL CASH OUTFLOWS	308,644,954	621,110,264	929,755,218	65,744,733	128,702,718	194,447,451	46,861,838	76,976,313	123,838,152
Cash inflows										
9	Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	228,667,973	422,729,830	651,397,803	11,294,424	10,448,074	21,742,498	19,499,532	27,447,518	46,947,050
11	Other cash inflows	1,358,657	327,190	1,685,847	586,689	309,064	895,753	586,689	309,064	895,753
12	TOTAL CASH INFLOWS	230,026,630	423,057,020	653,083,650	11,881,114	10,757,138	22,638,251	20,086,222	27,756,582	47,842,803
					Total value according to NBG's methodology* (with limits)			Total value according to Basel methodology (with limits)		
13	Total HQLA				86,517,460	140,793,726	227,311,185	78,312,352	160,607,275	238,919,626
14	Net cash outflow				53,863,620	117,945,580	171,809,200	26,775,617	49,219,732	75,995,348
15	Liquidity coverage ratio (%)				161%	119%	132%	292%	326%	314%

* 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: Terabank
 Date:

9/30/2019

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											
	22,542,266		450,845	0	0	0	0	0	450,845	0	0	450,845
1.1	Maturity less than 1 year	2.0%	450,845	0	0	0	0	0	450,845	0	0	450,845
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		450,845	0	0	0	0	0	450,845	0	0	450,845

Bank: Terabank

Date:

9/30/2019

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)	1,010,024,985
2	(Asset amounts deducted in determining Tier 1 capital)	(23,375,717)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	986,649,268
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	450,845
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)	450,845
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	55,200,190
18	(Adjustments for conversion to credit equivalent amounts)	(26,000,681)
19	Other off-balance sheet exposures (sum of lines 17 to 18)	29,199,509
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	116,068,649
21	Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	1,016,299,622
Leverage ratio		
22	Leverage ratio	11.42%
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	-