

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
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Table 1 **Key metrics**

N		6/30/2019	3/31/2019	12/31/2018	9/30/2018	6/30/2018
	Regulatory capital (amounts, GEL)					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CET1)	108,722,462	110,978,441	104,601,555	102,318,427	94,908,863
2	Tier 1	108,722,462	110,978,441	104,601,555	102,318,427	94,908,863
3	Total regulatory capital	167,351,193	164,715,333	156,412,414	145,542,152	136,088,077
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	932,602,568	889,510,859	872,383,343	849,999,538	794,408,612
	Capital ratios as a percentage of RWA					
	<i>Based on Basel III framework</i>					
5	Common equity Tier 1 ratio >=9.16%	11.66%	12.48%	11.99%	12.04%	11.95%
6	Tier 1 ratio >=11.39%	11.66%	12.48%	11.99%	12.04%	11.95%
7	Total Regulatory Capital ratio >=17.38%	17.94%	18.52%	17.93%	17.12%	17.13%
	Income					
8	Total Interest Income / Average Annual Assets	8.03%	8.06%	8.72%	8.77%	8.74%
9	Total Interest Expense / Average Annual Assets	3.70%	3.65%	4.02%	4.07%	4.10%
10	Earnings from Operations / Average Annual Assets	2.47%	2.92%	3.15%	3.76%	4.04%
11	Net Interest Margin	4.34%	4.41%	4.70%	4.71%	4.64%
12	Return on Average Assets (ROAA)	2.67%	2.63%	2.09%	2.50%	2.08%
13	Return on Average Equity (ROAE)	19.56%	18.97%	14.64%	17.31%	14.49%
	Asset Quality					
14	Non Performed Loans / Total Loans	7.17%	7.29%	7.28%	8.36%	8.35%
15	LLR/Total Loans	5.48%	5.47%	5.40%	6.78%	6.74%
16	FX Loans/Total Loans	63.20%	61.32%	60.91%	59.25%	58.73%
17	FX Assets/Total Assets	61.06%	60.33%	59.24%	57.82%	56.65%
18	Loan Growth-YTD	6.21%	0.76%	17.85%	12.00%	7.44%
	Liquidity					
19	Liquid Assets/Total Assets	20.56%	21.00%	22.44%	22.19%	19.62%
20	FX Liabilities/Total Liabilities	64.11%	67.88%	65.16%	63.71%	59.60%
21	Current & Demand Deposits/Total Assets	40.16%	41.13%	43.75%	41.82%	42.67%
	Liquidity Coverage Ratio***					
22	Total HQLA	175,731,209	182,406,152	178,068,289	174,272,852	152,659,647
23	Net cash outflow	157,540,760	158,849,135	146,477,088	143,725,543	136,318,046
24	LCR ratio (%)	111.55%	114.83%	121.57%	121.25%	111.99%

*** 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	14,818,931	16,417,444	31,236,375	15,004,202	20,048,298	35,052,499
2	Due from NBG	13,918,415	141,233,558	155,151,973	13,771,047	75,358,922	89,129,969
3	Due from Banks	150,596	10,557,085	10,707,680	758,735	42,012,751	42,771,485
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	53,385,588	0	53,385,588	47,611,632	0	47,611,632
6.1	Loans	272,327,140	467,693,895	740,021,035	262,113,984	373,072,279	635,186,262
6.2	Less: Loan Loss Reserves	-18,226,642	-22,311,185	-40,537,827	-17,918,306	-24,918,438	-42,836,744
6	Net Loans	254,100,498	445,382,709	699,483,207	244,195,678	348,153,840	592,349,518
7	Accrued Interest and Dividends Receivable	3,934,054	3,728,760	7,662,815	3,519,586	2,519,533	6,039,120
8	Other Real Estate Owned & Repossessed Assets	726,177	0	726,177	1,183,462	0	1,183,462
9	Equity Investments	0	0	0	0	0	0
10	Fixed Assets and Intangible Assets	48,106,637	0	48,106,637	45,605,522	0	45,605,522
11	Other Assets	4,954,509	751,492	5,706,001	2,725,247	1,173,342	3,898,589
12	Total assets	394,095,405	618,071,048	1,012,166,454	374,375,111	489,266,686	863,641,797
	Liabilities						
13	Due to Banks	8,542	5,362,094	5,370,637	2,011,565	5,149,760	7,161,325
14	Current (Accounts) Deposits	68,593,096	142,320,101	210,913,197	63,456,977	97,321,164	160,778,141
15	Demand Deposits	74,558,270	121,035,047	195,593,317	94,102,381	113,646,756	207,749,136
16	Time Deposits	96,205,418	193,506,617	289,712,035	66,238,594	164,240,302	230,478,896
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	57,949,500	35,018,081	92,967,581	67,055,000	18,129,582	85,184,582
19	Accrued Interest and Dividends Payable	9,949,934	1,972,480	11,922,413	1,451,234	1,643,373	3,094,607
20	Other Liabilities	8,547,404	12,439,278	20,986,682	4,727,709	4,985,895	9,713,604
21	Subordinated Debentures	0	52,410,904	52,410,904	0	36,040,536	36,040,536
22	Total liabilities	315,812,164	564,064,602	879,876,766	299,043,459	441,157,368	740,200,827
	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	10,917,688	0	10,917,688	2,068,971	0	2,068,971
29	Asset Revaluation Reserves	0	0	0	0	0	0
30	Total Equity Capital	132,289,688	0	132,289,688	123,440,971	0	123,440,971
31	Total liabilities and Equity Capital	448,101,852	564,064,602	1,012,166,454	422,484,430	441,157,368	863,641,797

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	356,353	195,953	552,305	328,459	285,603	614,061
2	Interest Income from Loans	16,377,227	17,416,744	33,793,971	15,677,565	15,847,403	31,524,967
2.1	from the Interbank Loans	-	-	-	-	-	-
2.2	from the Retail or Service Sector Loans	2,746,896	6,579,438	9,326,334	3,261,800	6,335,880	9,597,681
2.3	from the Energy Sector Loans	-	118,776	118,776	-	128,636	128,636
2.4	from the Agriculture and Forestry Sector Loans	439,734	136,322	576,056	422,391	167,103	589,494
2.5	from the Construction Sector Loans	200,241	1,834,403	2,034,645	305,770	1,675,304	1,981,074
2.6	from the Mining and Mineral Processing Sector Loans	4,864	5,675	10,540	1,424	20,073	21,497
2.7	from the Transportation or Communications Sector Loans	151	340,543	340,694	1,798	338,394	340,192
2.8	from Individuals Loans	10,830,730	7,183,360	18,014,090	8,458,876	5,400,399	13,859,275
2.9	from Other Sectors Loans	2,154,611	1,218,225	3,372,836	3,225,505	1,781,612	5,007,117
3	Fees/penalties income from loans to customers	786,951	943,191	1,730,142	598,939	562,696	1,161,636
4	Interest and Discount Income from Securities	2,161,859	-	2,161,859	2,046,259	-	2,046,259
5	Other Interest Income	390,682	190,194	580,877	659,846	275,586	935,431
6	Total Interest Income	20,073,073	18,746,082	38,819,154	19,311,068	16,971,287	36,282,355
	Interest Expense						
7	Interest Paid on Demand Deposits	2,547,435	1,678,990	4,226,425	3,516,166	1,767,252	5,283,418
8	Interest Paid on Time Deposits	4,648,005	4,065,942	8,713,948	3,853,184	3,247,915	7,101,099
9	Interest Paid on Banks Deposits	6,368	15,359	21,728	114,648	68,664	183,312
10	Interest Paid on Own Debt Securities	-	-	-	-	-	-
11	Interest Paid on Other Borrowings	2,750,118	2,147,222	4,897,340	2,899,131	1,553,715	4,452,847
12	Other Interest Expenses	-	-	-	-	-	-
13	Total Interest Expense	9,951,927	7,907,514	17,859,440	10,383,129	6,637,546	17,020,675
14	Net Interest Income	10,121,146	10,838,568	20,959,714	8,927,938	10,333,742	19,261,680
	Non-Interest Income						
15	Net Fee and Commission Income	1,675,708	492,364	2,168,073	1,724,441	641,239	2,365,680
15.1	Fee and Commission Income	2,644,033	1,816,715	4,460,749	2,559,296	1,821,589	4,380,885
15.2	Fee and Commission Expense	968,325	1,324,351	2,292,676	834,855	1,180,351	2,015,206
16	Dividend Income	-	-	-	-	-	-
17	Gain (Loss) from Dealing Securities	-	-	-	-	-	-
18	Gain (Loss) from Investment Securities	-	-	-	-	-	-
19	Gain (Loss) from Foreign Exchange Trading	872,145	-	872,145	5,516,214	-	5,516,214
20	Gain (Loss) from Foreign Exchange Translation	2,023,323	-	2,023,323	(3,128,853)	-	(3,128,853)
21	Gain (Loss) on Sales of Fixed Assets	740,352	-	740,352	64,843	-	64,843
22	Non-Interest Income from other Banking Operations	9,480	5,148	14,628	29,978	464,530	494,508
23	Other Non-Interest Income	99,554	4,077	103,630	110,171	76,180	186,352
24	Total Non-Interest Income	5,420,562	501,589	5,922,151	4,316,795	1,181,949	5,498,744
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	310,798	277,743	588,541	351,925	358,312	710,236
26	Bank Development, Consultation and Marketing Expenses	680,839	2,630	683,469	654,923	33,331	688,255
27	Personnel Expenses	6,600,447	-	6,600,447	5,362,174	-	5,362,174
28	Operating Costs of Fixed Assets	-	-	-	7,117	-	7,117
29	Depreciation Expense	2,196,784	-	2,196,784	1,654,692	-	1,654,692
30	Other Non-Interest Expenses	2,114,773	7,320	2,122,092	2,615,135	257	2,615,392
31	Total Non-Interest Expenses	11,903,640	287,693	12,191,333	10,645,967	391,900	11,037,866
32	Net Non-Interest Income	(6,483,078)	213,896	(6,269,182)	(6,329,172)	790,049	(5,539,122)
33	Net Income before Provisions	3,638,068	11,052,464	14,690,533	2,598,767	11,123,791	13,722,558
34	Loan Loss Reserve	2,552,009	-	2,552,009	411,540	-	411,540
35	Provision for Possible Losses on Investments and Securities	-	-	-	-	-	-
36	Provision for Possible Losses on Other Assets	(744,433)	-	(744,433)	4,658,461	-	4,658,461
37	Total Provisions for Possible Losses	1,807,576	-	1,807,576	5,070,001	-	5,070,001
38	Net Income before Taxes and Extraordinary Items	1,830,492	11,052,464	12,882,956	(2,471,234)	11,123,791	8,652,557
39	Taxation	-	-	-	-	-	-
40	Net Income after Taxation	1,830,492	11,052,464	12,882,956	(2,471,234)	11,123,791	8,652,557
41	Extraordinary Items	-	-	-	-	-	-
42	Net Income	1,830,492	11,052,464	12,882,956	(2,471,234)	11,123,791	8,652,557

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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	34,957,594	28,846,583	63,804,176	49,996,549	30,879,876	80,876,424
1.1	Guarantees Issued	22,288,164	19,599,562	41,887,726	38,424,921	23,132,480	61,557,401
1.2	Letters of credit Issued	2,555,000	2,004,181	4,559,181	2,379,000	654,189	3,033,189
1.3	Undrawn loan commitments	10,114,430	7,242,840	17,357,270	9,192,628	6,057,577	15,250,205
1.4	Other Contingent Liabilities	0	0	0	0	1,035,629	1,035,629
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	34,594,000	0	34,594,000	38,041,000	0	38,041,000
3.1	Financial assets of the bank	34,594,000	0	34,594,000	38,041,000	0	38,041,000
3.2	Non-financial assets of the bank	0	0	0	0	0	0
4	Guarantees received as security for receivables of the bank	168,610,473	388,184,642	556,795,114	176,702,636	314,675,758	491,378,393
4.1	Surety, joint liability	168,610,473	388,184,642	556,795,114	176,702,636	314,675,758	491,378,393
4.2	Guarantees	0	0	0	0	0	0
5	Assets pledged as security for receivables of the bank	599,847,984	865,877,450	1,465,725,434	483,718,719	662,362,546	1,146,081,264
5.1	Cash	16,043,825	44,079,161	60,122,986	30,641,376	29,249,759	59,891,135
5.2	Precious metals and stones	54,717,592	24,355,129	79,072,721	68,092,788	32,053,242	100,146,031
5.3	Real Estate:	478,736,367	769,646,054	1,248,382,421	332,602,779	550,477,529	883,080,308
5.3.1	<i>Residential Property</i>	300,172,501	332,663,491	632,835,993	216,629,179	263,440,792	480,069,970
5.3.2	<i>Commercial Property</i>	99,616,460	307,589,458	407,205,917	73,526,244	230,764,203	304,290,448
5.3.3	<i>Complex Real Estate</i>	8,893,333	11,937,743	20,831,075	7,522,948	10,774,830	18,297,778
5.3.4	<i>Land Parcel</i>	40,443,405	65,950,933	106,394,338	23,090,566	37,999,182	61,089,748
5.3.5	<i>Other</i>	29,610,668	51,504,430	81,115,097	11,833,842	7,498,522	19,332,364
5.4	Movable Property	13,184,143	14,544,753	27,728,896	6,671,357	17,309,930	23,981,287
5.5	Shares Pledged	0	0	0	0	0	0
5.6	Securities	0	0	0	0	0	0
5.7	Other	37,166,056	13,252,354	50,418,411	45,710,419	33,272,085	78,982,504
6	Derivatives	64,359,680	65,846,740	130,206,420	55,711,626	55,266,419	110,978,045
6.1	Receivables through FX contracts (except options)	64,359,680	65,846,740	130,206,420	55,711,626	55,266,419	110,978,045
6.2	Payables through FX contracts (except options)	0	65,846,740	65,846,740	0	55,266,419	55,266,419
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	226,082	8,311	234,393	486,270	4,216	490,486
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	1,422,968	1,498,593	2,921,562	1,767,072	7,804,747	9,571,819
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	5,310,314	14,946,398	20,256,713	6,421,594	6,312,727	12,734,320
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	42,739,367	74,896,510	117,635,877	46,102,637	60,213,738	106,316,375
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		6/30/2019	3/31/2019
1	Risk Weighted Assets for Credit Risk	841,740,949	797,652,422
1.1	Balance sheet items	818,338,203	775,998,999
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	0	0
1.2	Off-balance sheet items	22,085,812	21,102,762
1.3	Counterparty credit risk	1,316,935	550,660
2	Risk Weighted Assets for Market Risk	7,192,656	8,189,475
3	Risk Weighted Assets for Operational Risk	83,668,962	83,668,962
4	Total Risk Weighted Assets	932,602,568	889,510,859

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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%

Bank: Terabank

Date: 6/30/2019

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	31,236,375	0	31,236,375
2	Due from NBG	155,151,973	0	155,151,973
3	Due from Banks	10,707,680	0	10,707,680
4	Dealing Securities	0	0	0
5	Investment Securities	53,385,588	0	53,385,588
6.1	Loans	740,021,035	0	740,021,035
6.2	Less: Loan Loss Reserves	-40,537,827	0	-40,537,827
6	Net Loans	699,483,207	0	699,483,207
7	Accrued Interest and Dividends Receivable	7,662,815	0	7,662,815
8	Other Real Estate Owned & Repossessed Assets	726,177	0	726,177
9	Equity Investments	0	0	0
10	Fixed Assets and Intangible Assets	48,106,637	23,567,226	24,539,411
11	Other Assets	5,706,001	0	5,706,001
	Total exposures subject to credit risk weighting before adjustments	1,012,166,454	23,567,226	988,599,228

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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	988,599,228
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	59,220,634
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	65,846,740
3	Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes	1,113,666,601
4	Effect of provisioning rules used for capital adequacy purposes	12,595,562
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-28,269,002
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	-64,529,805
6	Effect of other adjustments	0
7	Total exposures subject to credit risk weighting	1,033,463,356

Table 9

Regulatory capital

N		in Lari
1	Common Equity Tier 1 capital before regulatory adjustments	132,289,688
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)	10,917,688
7	Regulatory Adjustments of Common Equity Tier 1 capital	23,567,226
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	23,567,226
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	108,722,462
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	58,628,731
37	Instruments that comply with the criteria for Tier 2 capital	48,106,970
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	10,521,762
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	58,628,731

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%	41,967,116
1.2	Minimum Tier 1 Requirement	6.00%	55,956,154
1.3	Minimum Regulatory Capital Requirement	8.00%	74,608,205
2	Combined Buffer		
2.1	Capital Conservation Buffer	2.50%	23,315,064
2.2	Countercyclical Buffer	0.00%	-
2.3	Systemic Risk Buffer	0.00%	-
3	Pillar 2 Requirements		
3.1	CET1 Pillar 2 Requirement	2.16%	20,148,713
3.2	Tier 1 Pillar2 Requirement	2.89%	26,950,504
3.3	Regulatory capital Pillar 2 Requirement	6.88%	64,170,701
	Total Requirements	Ratios	Amounts (GEL)
4	CET1	9.16%	85,430,892
5	Tier 1	11.39%	106,221,722
6	Total regulatory Capital	17.38%	162,093,971

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	31,236,375	
2	Due from NBS	155,151,973	
3	Due from Banks	10,707,680	
4	Dealing Securities	0	
5	Investment Securities	53,385,588	
6.1	Loans	740,021,035	
6.2	Less: Loan Loss Reserves	-40,537,827	
6	Net Loans	699,483,207	
7	Accrued Interest and Dividends Receivable	7,662,815	
8	Other Real Estate Owned & Repossessed Assets	726,177	
9	Equity Investments	0	
10	Fixed Assets and Intangible Assets	48,106,637	
10.1	Of which intangible assets	23,567,226	table 9 (Capital), N10
11	Other Assets	5,706,001	
12	Total assets	1,012,166,454	
13	Due to Banks	5,370,637	
14	Current (Accounts) Deposits	210,913,197	
15	Demand Deposits	195,593,317	
16	Time Deposits	289,712,035	
17	Own Debt Securities	0	
18	Borrowings	92,967,581	
19	Accrued Interest and Dividends Payable	11,922,413	
20	Other Liabilities	20,986,682	
21	Subordinated Debentures	52,410,904	
21.1	Of which tier II capital qualifying instruments	48,106,970	
22	Total liabilities	879,876,766	
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	10,917,688	
29	Asset Revaluation Reserves	0	
30	Total Equity Capital	132,289,688	

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	70,688,888	-	-	-	-	-	-	-	-	-	-	141,233,601	-	-	-	-	-	141,233,601
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	-	-	6,429,034	-	-	-	3,756,402	-	-	-	-	522,464	-	-	-	-	-	3,686,472
7 Claims or contingent claims on corporates	-	-	-	-	-	-	-	-	-	-	-	369,154,719	24,861,088	-	-	-	-	394,015,807
8 Retail claims or contingent retail claims	-	-	-	-	-	-	-	-	212,423,544	6,090,544	-	-	-	-	-	-	-	163,885,566
9 Claims or contingent claims secured by mortgages on residential property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Past due items	-	-	-	-	-	-	-	-	-	-	-	15,911,176	-	667,409	-	-	-	16,912,291
11 Items belonging to regulatory high-risk categories	-	-	-	-	-	-	-	-	-	-	-	85,825,337	-	34,296,028	-	-	-	137,269,380
12 Short-term claims on commercial banks and corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Claims in the form of collective investment undertakings ("CIU")	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Other items	38,777,722	-	13,613	-	-	-	-	-	-	-	-	21,494,852	-	-	-	-	-	21,497,575
Total	109,466,609	-	6,442,647	-	-	-	3,756,402	-	212,423,544	6,090,544	-	634,142,150	24,861,088	34,963,438	-	-	-	878,500,691

Bank: Terabank
Date:

6/30/2019

Table 13 Standardized approach - Effect of credit risk mitigation

	a	b	Off-balance sheet exposures		d	e	f
			On-balance sheet exposures	Off-balance sheet exposures - Nominal value			
Asset Classes							
1	Claims or contingent claims on central governments or central banks	211,922,489	-	-	141,233,601	141,233,601	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	10,707,900	-	-	3,686,472	3,686,472	34%
7	Claims or contingent claims on corporates	369,154,719	46,376,756	24,861,088	394,015,807	358,622,321	91%
8	Retail claims or contingent retail claims	212,423,544	12,843,878	6,090,544	163,885,566	161,202,374	74%
9	Claims or contingent claims secured by mortgages on residential property	-	-	-	-	-	
10	Past due items	16,578,586	-	-	16,912,291	16,912,291	102%
11	Items belonging to regulatory high-risk categories	120,121,366	-	-	137,269,380	137,269,380	114%
12	Short-term claims on commercial banks and corporates	-	-	-	-	-	
13	Claims in the form of collective investment undertakings ('CIU')	-	-	-	-	-	
14	Other items	60,286,187	-	-	21,497,575	21,497,575	36%
	Total	1,001,194,790	59,220,634	30,951,632	878,500,691	840,424,014	81%

Bank: Terabank
Date:

6/30/2019

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				49,086,949	126,644,260	175,731,209	46,006,786	147,020,717	193,027,503
Cash outflows										
2	Retail deposits	72,556,005	214,148,825	286,704,831	11,886,286	38,287,555	50,173,840	3,002,782	9,157,403	12,160,186
3	Unsecured wholesale funding	164,649,903	317,582,882	482,232,785	37,448,049	83,374,868	120,822,917	33,802,208	68,867,602	102,669,811
4	Secured wholesale funding	37,032,967	-	37,032,967	-	-	-	-	-	-
5	Outflows related to off-balance sheet obligations and net short position of derivative exposures	32,321,918	24,370,913	56,692,831	4,438,553	3,317,822	7,756,375	1,773,439	1,417,888	3,191,326
6	Other contractual funding obligations	6,103,210	2,179,007	8,282,217	-	-	-	-	-	-
7	Other contingent funding obligations	3,235,045	5,885,925	9,120,971	1,652,562	2,935,048	4,587,611	1,652,562	2,935,048	4,587,611
8	TOTAL CASH OUTFLOWS	315,899,049	564,167,553	880,066,602	55,425,450	127,915,293	183,340,744	40,230,992	82,377,942	122,608,933
Cash inflows										
9	Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	225,822,770	407,098,118	632,920,888	13,700,423	11,518,970	25,219,393	16,780,586	24,935,758	41,716,343
11	Other cash inflows	1,685,460	352,481	2,037,942	246,689	333,902	580,590	246,689	333,902	580,590
12	TOTAL CASH INFLOWS	227,508,230	407,450,600	634,958,830	13,947,111	11,852,872	25,799,983	17,027,274	25,269,659	42,296,934
					Total value according to NBG's methodology* (with limits)			Total value according to Basel methodology (with limits)		
13	Total HQLA				49,086,949	126,644,260	175,731,209	46,006,786	147,020,717	193,027,503
14	Net cash outflow				41,478,339	116,062,421	157,540,760	23,203,718	57,108,282	80,312,000
15	Liquidity coverage ratio (%)				118%	109%	112%	198%	257%	240%

* 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											
	65,846,740		1,316,935	0	0	0	0	0	1,316,935	0	0	1,316,935
1.1	Maturity less than 1 year	2.0%	1,316,935	0	0	0	0	0	1,316,935	0	0	1,316,935
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		1,316,935	0	0	0	0	0	1,316,935	0	0	1,316,935

Bank: Terabank

Date:

6/30/2019

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)	999,570,892
2	(Asset amounts deducted in determining Tier 1 capital)	(23,567,226)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	976,003,666
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	1,316,935
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)	1,316,935
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	59,220,634
18	(Adjustments for conversion to credit equivalent amounts)	(28,269,002)
19	Other off-balance sheet exposures (sum of lines 17 to 18)	30,951,632
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	108,722,462
21	Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	1,008,272,233
Leverage ratio		
22	Leverage ratio	10.78%
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	-