

Bank: JSC "Liberty Bank"

Date: 30-Jun-13

sheet N1

Balance Sheet

in lari

N	ASSETS	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	66,908,486	25,645,721	92,554,207	48,122,191	24,326,528	72,448,719
2	Due from NBG	150,424,953	139,851,968	290,276,921	48,827,750	18,631,420	67,459,170
3	Due from Banks	0	29,978,141	29,978,141	0	27,198,627	27,198,627
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	104,171,526	0	104,171,526	115,449,407	2,461,111	117,910,518
6.1	Loans	447,005,369	42,445,692	489,451,061	386,886,214	43,870,868	430,757,082
6.2	Less: Loan Loss Reserves	(25,737,220)	(1,630,071)	(27,367,292)	(23,002,485)	(12,647,032)	(35,649,517)
6	Net Loans	421,268,148	40,815,621	462,083,769	363,883,729	31,223,836	395,107,565
7	Accrued Interest and Dividends Receivable	6,205,990	750,718	6,956,708	6,564,644	1,328,170	7,892,814
8	Other Real Estate Owned & Repossessed Assets	825,388	X	825,388	781,085	X	781,085
9	Equity Investments	2,001,701	0	2,001,701	1,974,689	0	1,974,689
10	Fixed Assets and Intangible Assets	136,117,520	X	136,117,520	129,021,399	X	129,021,399
11	Other Assets	16,920,797	6,654,362	23,575,159	24,342,252	11,400,104	35,742,355
12	TOTAL ASSETS	904,844,509	243,696,531	1,148,541,040	738,967,147	116,569,796	855,536,942
	LIABILITIES						
13	Due to Banks	44,176	1,116,856	1,161,032	17,163,449	185,889	17,349,338
14	Current (Accounts) Deposits	617,421,059	32,762,426	650,183,485	503,641,085	18,038,361	521,679,446
15	Demand Deposits	14,390,612	3,826,464	18,217,076	12,739,373	66,442	12,805,815
16	Time Deposits	135,843,661	192,490,637	328,334,298	51,150,843	94,352,830	145,503,673
17	Own Debt Securities	0	0	0	18,614,733	0	18,614,733
18	Borrowings	0	0	0	20,000,000	96,436	20,096,436
19	Accrued Interest and Dividends Payable	6,569,079	8,364,378	14,933,457	5,130,635	3,297,130	8,427,765
20	Other Liabilities	14,565,261	3,261,420	17,826,681	11,736,040	6,472,123	18,208,163
21	Subordinated Debentures	0	0	0	0	0	0
22	Total Liabilities	788,833,848	241,822,181	1,030,656,029	640,176,158	122,509,211	762,685,369
	EQUITY CAPITAL						
23	Common Stock	53,284,246	X	53,284,246	42,707,693	X	42,707,693
24	Preferred Stock	42,169	X	42,169	0	X	0
25	Less: Repurchased Shares	0	X	0	0	X	0
26	Share Premium	46,308,200	X	46,308,200	34,095,280	X	34,095,280
27	General Reserves	1,694,028	X	1,694,028	1,694,028	X	1,694,028
28	Retained Earnings	(16,483,812)	X	(16,483,812)	(8,010,128)	X	(8,010,128)
29	Asset Revaluation Reserves	33,040,180	X	33,040,180	22,364,700	X	22,364,700
30	Total Equity Capital	117,885,011	X	117,885,011	92,851,573	X	92,851,573
31	TOTAL LIABILITIES AND EQUITY CAPITAL	906,718,859	241,822,181	1,148,541,040	733,027,731	122,509,211	855,536,942

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 30-Jun-13

sheet N2

Income Statement

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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	1,567,686	397,274	1,964,960	1,505,742	185,912	1,691,654
2	Interest Income from Loans	62,780,506	2,867,609	65,648,115	46,506,463	1,848,154	48,354,617
2.1	from the Interbank Loans			0			0
2.2	from the Retail or Service Sector Loans	257,405	539,324	796,729	785,402	164,238	949,640
2.3	from the Energy Sector Loans	111		111	6,861		6,861
2.4	from the Agriculture and Forestry Sector Loans	32,330	4,355	36,685	260,325	19,641	279,966
2.5	from the Construction Sector Loans	72,854		72,854	86,351		86,351
2.6	from the Mining and Mineral Processing Sector Loans			0	2,430		2,430
2.7	from the Transportation or Communications Sector Loans			0	63,761		63,761
2.8	from Individuals Loans	62,020,422	2,048,960	64,069,382	43,630,739	1,057,396	44,688,135
2.9	from Other Sectors Loans	397,384	274,970	672,354	1,670,594	606,879	2,277,473
3	Interest Income From Fines on Customer Loans	1,707,398	129,604	1,837,002	843,128	51,893	895,021
4	Interest and Discount Income from Securities	3,243,727	0	3,243,727	6,175,057	122,850	6,297,907
5	Other Interest Income	231,925	6,510	238,435	665,031	62,991	728,022
6	Total Interest Income	69,531,242	3,400,997	72,932,239	55,695,421	2,271,800	57,967,221
	Interest Expense						
7	Interest Paid on Demand Deposits	26,013,133	442,211	26,455,344	25,102,695	364,634	25,467,329
8	Interest Paid on Time Deposits	7,988,667	9,332,081	17,320,748	3,370,278	3,851,751	7,222,029
9	Interest Paid on Banks Deposits	1,267,797	619	1,268,416	282,140	411	282,551
10	Interest Paid on Own Debt Securities	99,733	0	99,733	1,429,279	0	1,429,279
11	Interest Paid on Other Borrowings	170,959	0	170,959	157,759	1,447	159,206
12	Other Interest Expenses	8,575	357	8,932	60,025	609	60,634
13	Total Interest Expense	35,548,864	9,775,268	45,324,132	30,402,176	4,218,852	34,621,028
14	Net Interest Income	33,982,378	(6,374,271)	27,608,107	25,293,245	(1,947,052)	23,346,193
	Non-Interest Income						
15	Net Fee and Commission Income	10,021,074	2,171,421	12,192,495	17,024,955	2,372,844	19,397,799
15.1	Fee and Commission Income	11,228,191	3,090,802	14,318,993	18,116,655	3,305,121	21,421,776
15.2	Fee and Commission Expense	1,207,117	919,381	2,126,498	1,091,700	932,277	2,023,977
16	Dividend Income	0	0	0	0	0	0
17	Gain (Loss) from Dealing Securities	0	0	0	4,883	0	4,883
18	Gain (Loss) from Investment Securities	0	0	0	0	0	0
19	Gain (Loss) from Foreign Exchange Trading	3,063,242		3,063,242	2,614,903		2,614,903
20	Gain (Loss) from Foreign Exchange Translation	(133,759)		(133,759)	(141,564)		(141,564)
21	Gain (Loss) on Sales of Fixed Assets	624,424	0	624,424	6,863	0	6,863
22	Non-Interest Income from other Banking Operations	16,280	10,005	26,285	18,890	98,769	117,659
23	Other Non-Interest Income	527,925	0	527,925	424,813	163	424,976
24	Total Non-Interest Income	14,119,186	2,181,426	16,300,612	19,953,743	2,471,776	22,425,519
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	26,440	3,035	29,475	25,598	53,965	79,563
26	Bank Development, Consultation and Marketing Expenses	2,302,546	71,701	2,374,247	2,152,946	84,036	2,236,982
27	Personnel Expenses	19,016,617		19,016,617	18,587,022		18,587,022
28	Operating Costs of Fixed Assets	149,942		149,942	113,106		113,106
29	Depreciation Expense	5,613,125		5,613,125	4,514,091		4,514,091
30	Other Non-Interest Expenses	7,657,909	37,624	7,695,533	7,250,997	40,598	7,291,595
31	Total Non-Interest Expenses	34,766,579	112,360	34,878,939	32,643,760	178,599	32,822,359
32	Net Non-Interest Income	(20,647,393)	2,069,066	(18,578,327)	(12,690,017)	2,293,177	(10,396,840)
33	Net Income before Provisions	13,334,985	(4,305,205)	9,029,780	12,603,228	346,125	12,949,353
34	Loan Loss Reserve	5,562,360	X	5,562,360	4,069,288	X	4,069,288
35	Provision for Possible Losses on Investments and Securities	0	X	0	0	X	0
36	Provision for Possible Losses on Other Assets	229,716	X	229,716	(51,438)	X	(51,438)
37	Total Provisions for Possible Losses	5,792,076	0	5,792,076	4,017,850	0	4,017,850
38	Net Income before Taxes and Extraordinary Items	7,542,909	(4,305,205)	3,237,704	8,585,378	346,125	8,931,503
39	Taxation			0			0
40	Net Income after Taxation	7,542,909	(4,305,205)	3,237,704	8,585,378	346,125	8,931,503
41	Extraordinary Items			0			0
42	Net Income	7,542,909	(4,305,205)	3,237,704	8,585,378	346,125	8,931,503

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 30-Jun-13

sheet N3

in lari

Off Balance Sheet Items

N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Conditional Obligations	1,377,766,859	237,315,008	1,615,081,867	1,157,926,344	241,782,283	1,399,708,627
1.1	Acceptances and Endorsements			0			0
1.2	Guarantees Given	13,323,680	214,863	13,538,543	18,988,405	2,146,093	21,134,498
1.3	Guarantees Received	1,595,485	970,470	2,565,955	1,186,011	491,144	1,677,155
1.4	Pledged Assets Given		43,592,496	43,592,496		16,358,554	16,358,554
1.5	Pledged Assets Received	1,362,847,694	192,537,179	1,555,384,873	1,135,091,928	222,786,492	1,357,878,420
1.6	Other Contingent Liabilities			0	2,660,000		2,660,000
2	Legally Binding Obligations	32,248,488	3,824,048	36,072,536	34,180,891	9,829,024	44,009,915
2.1	Funding Commitments of the Bank	30,551,288	1,163,797	31,715,085	27,413,691	2,868,219	30,281,910
2.2	Funding Commitments of other Parties			0			0
2.3	Commitments to Purchase Investment Securities			0			0
2.4	Commitments to Sell Investment Securities			0			0
2.5	Foreign Exchange Operations		2,155,531	2,155,531		6,770,311	6,770,311
2.6	Forward Foreign Exchange Contracts	1,697,200	504,720	2,201,920	6,767,200	190,494	6,957,694
2.7	Other Commitments			0			0
3	Other Liabilities	13,323,680	214,863	13,538,543	21,648,405	2,146,093	23,794,498
3.1	Obligation Of the Issuer (endorser) to the Bank			0			0
3.2	Clients' Liabilities	13,323,680	214,863	13,538,543	18,988,405	2,146,093	21,134,498
3.3	Third Parties' Clients' Liability to the Bank			0	2,660,000		2,660,000
4	Items to be Held in Safekeeping	8,687,313	0	8,687,313	9,677,834	0	9,677,834
4.1	Precious Metals			0			0
4.2	Securities			0			0
4.3	Other Items	8,687,313		8,687,313	9,677,834		9,677,834
5	Interest Rate Contracts	0	0	0	0	0	0
5.1	Notional Value of Interest Rate Swaps			0			0
5.2	Forward Contracts on Financial Instruments			0			0
5.3	Futures Contracts on Financial Instruments			0			0
5.4	Options			0			0
6	Contracts on Commodities and Shareholders Capital	0	0	0	0	0	0
6.1	Notional Value of Swaps			0			0
6.2	Forward Contracts			0			0
6.3	Futures Contracts			0			0
6.4	Options			0			0
7	Unsettled Documents	499,691,964	0	499,691,964	439,848,457	0	439,848,457
7.1	Accounting Documents not Paid in due Time by Reason of Client	499,691,964		499,691,964	439,848,457	0	439,848,457
7.2	Accounting Documents not Paid in due Time by Reason of Bank			0			0
7.3	Unissued Capital			0			0
8	Written Off Loans	68,683,180	26,975,982	95,659,162	78,687,037	44,295,798	122,982,835
8.1	Unpaid Interest on Loans up to 31.12.2000	2,179,002		2,179,002	2,179,002		2,179,002
8.2	Unpaid Interest on Loans from to 01.01.2001	13,990,606	2,766,091	16,756,697	31,814,169	29,372,255	61,186,424
8.3	Problem Loans Written off up to 31.12.2000	3,219,201		3,219,201	3,219,201		3,219,201
8.4	Problem Loans Written off up to 01.01.2001	26,989,078	23,875,621	50,864,699	19,747,184	14,620,505	34,367,689
8.5	Other Written Off Assets	22,305,293	334,270	22,639,563	21,727,481	303,038	22,030,519
9	Other Valuables and Documents	2,048,538	0	2,048,538	2,064,315	0	2,064,315
9.1	Undistributed value parcels			0			0
9.2	Small value inventory	1,988,072		1,988,072	1,986,079		1,986,079
9.3	Strict reporting forms	60,466		60,466	78,236		78,236
9.4	Payment of Special Lottery			0			0
10	Total	2,002,450,022	268,329,901	2,270,779,923	1,744,033,283	298,053,198	2,042,086,481

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 30-Jun-13

sheet N4

		Reporting Period	Respective period of the previous year
	CAPITAL		
1	Tier 1 Capital Ratio \geq 8%	10.53%	8.52%
2	Regulatory Capital Ratio \geq 12%	12.07%	10.94%
3	Risk Weighted Assets/Total Assets	60.78%	75.81%
4	Cash Dividend/Net Income	0.00%	0.00%
	Income		
5	Total Interest Income /Average Annual Assets	14.14%	13.87%
6	Total Interest Expense / Average Annual Assets	8.79%	8.28%
7	Earnings from Operations / Average Annual Assets	1.66%	3.13%
8	Net Interest Margin	5.35%	5.58%
9	Return on Average Assets (ROA)	0.63%	2.14%
10	Return on Average Equity (ROE)	5.60%	20.49%
	ASSET QUALITY		
11	Non Performed Loans / Total Loans	4.78%	7.90%
12	LLR/Total Loans	5.59%	8.28%
13	FX Loans/Total Loans	8.67%	10.18%
14	FX Assets/Total Assets	21.22%	13.63%
15	Loan Growth-YTD	21.59%	20.16%
	LIQUIDITY		
16	Liquid Assets/Total Assets	44.78%	29.98%
17	FX Liabilities/Total Liabilities	23.46%	16.06%
18	Current & Demand Deposits/Total Assets	58.20%	62.47%

Director

Chief Accountant

Bank: JSC "Liberty Bank"

Date: 30-Jun-13

**Information about Supervisory Council, Directorate and
Shareholders**

sheet N5

Members of Supervisory Council		
1	Vladimer Gurgenidze	
2	Jaap Rotgans	
3	Melanie Chen	
Members of Board of Directors		
1	Vladimer Gurgenidze	
2	George Arveladze	
3	Zurab Tsulaia	
4	Aleksander Liparteliani	
5	Armen Matevosyan	
6	Sandro Rtveladze	
List of Shareholders owning 1% and more of issued capital, indicating Shares *		
1	„Liberty Holding Georgia "LLC	73.10%
2	BNY Limited (Nominees)	11.26%
3	„Liberty Capital " JSC	8.31%
4	Other (2278)	7.33%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares*		
1	Dan Costache Patriciu	73.10%
2	BNY Limited (Nominees)	11.26%
3	Vladimer Gurgenidze	8.01%

* Shares comprises of common and preferred shares

Director

Chief Accountant