

Pillar 3 quarterly report		
1	Name of a bank	JSC "VTB Bank (Georgia)"
2	Chairman of the Supervisory Board	VLADIMIR VERKHOSHINSKY
3	CEO of a bank	Archil Kontselidze
4	Bank's web page	www.vtb.ge

31/03/2018

**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: JSC "VTB Bank (Georgia)"  
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Table 1 Key metrics

N		T	T-1	T-2	T-3	T-4
	<b>Regulatory capital (amounts, GEL)</b>					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CET1)	170,274,395	160,969,014	153,211,008	135,220,401	148,183,578
2	Tier 1	182,898,695	174,449,514	166,063,908	147,458,001	161,210,178
3	Total regulatory capital	206,157,090	198,148,359	199,976,163	180,443,962	193,830,921
	<b>Risk-weighted assets (amounts, GEL)</b>					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	1,316,374,444	1,315,637,558	1,551,541,920	1,536,401,710	1,537,450,041
	<b>Capital ratios as a percentage of RWA</b>					
	<i>Based on Basel III framework</i>					
5	Common equity Tier 1 ratio (≥ 7.0 %) **	12.9%	12.2%	9.9%	8.8%	9.6%
6	Tier 1 ratio (≥ 8.5 %) **	13.9%	13.3%	10.7%	9.6%	10.5%
7	Total regulatory capital ratio (≥ 10.5 %) **	15.7%	15.1%	12.9%	11.7%	12.6%
	<b>Income</b>					
8	Total Interest Income / Average Annual Assets	7.6%	7.9%	7.7%	7.7%	7.5%
9	Total Interest Expense / Average Annual Assets	3.8%	4.2%	4.0%	3.9%	3.8%
10	Earnings from Operations / Average Annual Assets	2.5%	2.6%	2.4%	2.3%	2.6%
11	Net Interest Margin	3.7%	3.7%	3.7%	3.8%	3.7%
12	Return on Average Assets (ROAA)	2.4%	1.6%	1.4%	2.2%	2.7%
13	Return on Average Equity (ROAE)	21.6%	14.6%	13.3%	20.4%	26.7%
	<b>Asset Quality</b>					
14	Non Performed Loans / Total Loans	5.8%	5.9%	5.3%	6.5%	6.8%
15	LLR/Total Loans	5.8%	5.8%	5.7%	6.1%	6.1%
16	FX Loans/Total Loans	52.0%	52.8%	52.6%	54.2%	57.9%
17	FX Assets/Total Assets	51.2%	54.9%	55.8%	56.6%	61.1%
18	Loan Growth-YTD	-0.8%	1.2%	-0.7%	-4.3%	-7.4%
	<b>Liquidity</b>					
19	Liquid Assets/Total Assets	24.4%	25.6%	26.7%	24.8%	29.2%
20	FX Liabilities/Total Liabilities	60.6%	64.0%	65.2%	62.7%	71.5%
21	Current & Demand Deposits/Total Assets	30.8%	32.7%	32.8%	35.6%	37.3%
	<b>Liquidity Coverage Ratio***</b>					
22	Total HQLA	411,430,881	375,458,885			
23	Net cash outflow	331,500,651	330,970,292			
24	LCR ratio (%)	124.1%	113.4%			

\*\* These includes Minimum capital requirements (4.5%, 6%, 8%) and Capital Conservation Buffer (2.5%) according to article 8 of the regulation on Capital Adequacy Requirements for Commercial Banks.

\*\*\* LCR calculated according to NBS'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 NBS'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	30,120,455	23,089,051	53,209,506	23,056,543	21,368,010	44,424,553
2	Due from NBG	133,008,589	141,776,838	274,785,427	11,222,557	150,041,894	161,264,451
3	Due from Banks	29,249	186,329,443	186,358,692	782,208	226,495,470	227,277,678
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	111,471,103	0	111,471,103	112,183,909	0	112,183,909
6.1	Loans	464,854,925	503,045,971	967,900,896	376,086,324	516,718,565	892,804,889
6.2	Less: Loan Loss Reserves	-24,034,860	-32,511,203	-56,546,063	-17,427,111	-37,044,247	-54,471,358
6	Net Loans	440,820,065	470,534,768	911,354,833	358,659,213	479,674,318	838,333,531
7	Accrued Interest and Dividends Receivable	5,542,361	2,461,542	8,003,903	4,304,772	2,756,509	7,061,281
8	Other Real Estate Owned & Repossessed Assets	9,340,842	0	9,340,842	4,905,863	0	4,905,863
9	Equity Investments	54,000	0	54,000	54,000	0	54,000
10	Fixed Assets and Intangible Assets	37,968,760	0	37,968,760	42,434,624	0	42,434,624
11	Other Assets	27,576,353	11,249,179	38,825,532	9,641,305	11,039,305	20,680,610
12	<b>Total assets</b>	<b>795,931,778</b>	<b>835,440,820</b>	<b>1,631,372,598</b>	<b>567,244,994</b>	<b>891,375,506</b>	<b>1,458,620,501</b>
	<b>Liabilities</b>						
13	Due to Banks	18,884,268	6,301,450	25,185,718	191,117	114,969,847	115,160,964
14	Current (Accounts) Deposits	101,172,523	132,285,407	233,457,930	251,307,936	182,731,882	434,039,818
15	Demand Deposits	172,930,980	95,700,204	268,631,184	31,687,045	78,562,435	110,249,480
16	Time Deposits	173,132,896	302,617,251	475,750,147	37,876,937	265,010,510	302,887,447
17	Own Debt Securities			0			0
18	Borrowings	89,718,000	278,315,758	368,033,758	33,092,711	228,932,900	262,025,611
19	Accrued Interest and Dividends Payable	4,346,401	9,162,304	13,508,705	1,295,397	6,301,147	7,596,544
20	Other Liabilities	11,611,953	7,031,584	18,643,536	15,185,888	4,670,752	19,856,640
21	Subordinated Debentures	0	46,916,138	46,916,138	0	47,857,541	47,857,541
22	<b>Total liabilities</b>	<b>571,797,021</b>	<b>878,330,096</b>	<b>1,450,127,117</b>	<b>370,637,031</b>	<b>929,037,014</b>	<b>1,299,674,045</b>
	<b>Equity Capital</b>						
23	Common Stock	209,008,277	0	209,008,277	191,292,701	0	191,292,701
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	-30,823,842	0	-30,823,842	-35,461,830	0	-35,461,830
29	Asset Revaluation Reserves	3,061,046	0	3,061,046	3,115,585	0	3,115,585
30	<b>Total Equity Capital</b>	<b>181,245,481</b>	<b>0</b>	<b>181,245,481</b>	<b>158,946,456</b>	<b>0</b>	<b>158,946,456</b>
31	<b>Total liabilities and Equity Capital</b>	<b>753,042,502</b>	<b>878,330,096</b>	<b>1,631,372,598</b>	<b>529,583,487</b>	<b>929,037,014</b>	<b>1,458,620,501</b>

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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
	<b>Interest Income</b>						
1	Interest Income from Bank's "Nostro" and Deposit Accounts	521,309	1,147,773	1,669,082	348,035	798,672	1,146,707
2	Interest Income from Loans	14,982,347	9,696,808	24,679,155	12,086,230	12,729,964	24,816,194
2.1	from the Interbank Loans	43,359	-	43,359	6,265	-	6,265
2.2	from the Retail or Service Sector Loans	1,784,687	3,364,445	5,149,131	2,111,359	5,211,518	7,322,877
2.3	from the Energy Sector Loans	604,119	617,054	1,221,173	125,701	424,820	550,521
2.4	from the Agriculture and Forestry Sector Loans	484,325	552,562	1,036,887	299,494	554,372	853,866
2.5	from the Construction Sector Loans	112,907	584,982	697,890	132,012	889,581	1,021,594
2.6	from the Mining and Mineral Processing Sector Loans	449,895	1,130,984	1,580,879	221,627	1,071,449	1,293,076
2.7	from the Transportation or Communications Sector Loans	52,283	336,369	388,652	38,587	241,987	280,574
2.8	from Individuals Loans	10,969,394	2,681,837	13,651,231	8,672,786	3,695,984	12,368,770
2.9	from Other Sectors Loans	481,378	428,575	909,953	478,397	640,253	1,118,650
3	Fees/penalties income from loans to customers	-	-	-	-	-	-
4	Interest and Discount Income from Securities	2,001,326	-	2,001,326	1,763,975	-	1,763,975
5	Other Interest Income	58,728	141,662	200,390	16,758	140,035	156,793
6	<b>Total Interest Income</b>	17,563,710	10,986,243	28,549,953	14,214,998	13,668,671	27,883,669
	<b>Interest Expense</b>						
7	Interest Paid on Demand Deposits	1,806,795	292,477	2,099,272	5,495,421	1,162,786	6,658,208
8	Interest Paid on Time Deposits	5,458,976	2,692,376	8,151,352	719,490	3,032,306	3,751,795
9	Interest Paid on Banks Deposits	236,281	165	236,446	36,988	72,943	109,931
10	Interest Paid on Own Debt Securities	-	-	-	-	-	-
11	Interest Paid on Other Borrowings	595,530	3,404,897	4,000,427	501,765	3,181,751	3,683,516
12	Other Interest Expenses	1,282	4,506	5,788	9,548	3,094	12,642
13	<b>Total Interest Expense</b>	8,098,864	6,394,421	14,493,285	6,763,212	7,452,880	14,216,092
14	<b>Net Interest Income</b>	9,464,846	4,591,822	14,056,668	7,451,786	6,215,791	13,667,577
	<b>Non-Interest Income</b>						
15	Net Fee and Commission Income	4,989,037	242,620	5,231,656	3,533,321	466,355	3,999,675
15.1	Fee and Commission Income	5,415,447	1,471,174	6,886,621	3,976,204	1,465,466	5,441,670
15.2	Fee and Commission Expense	426,410	1,228,554	1,654,964	442,883	999,111	1,441,994
16	Dividend Income	-	-	-	-	-	-
17	Gain (Loss) from Dealing Securities	-	-	-	-	-	-
18	Gain (Loss) from Investment Securities	-	-	-	-	-	-
19	Gain (Loss) from Foreign Exchange Trading	4,079,144	-	4,079,144	4,356,975	-	4,356,975
20	Gain (Loss) from Foreign Exchange Translation	(1,386,733)	-	(1,386,733)	(2,102,063)	-	(2,102,063)
21	Gain (Loss) on Sales of Fixed Assets	5,301,629	-	5,301,629	266	-	266
22	Non-Interest Income from other Banking Operations	86,913	-	86,913	119,482	-	119,482
23	Other Non-Interest Income	703,232	210,235	913,467	1,430,932	646,917	2,077,849
24	<b>Total Non-Interest Income</b>	13,773,221	452,855	14,226,076	7,338,913	1,113,272	8,452,185
	<b>Non-Interest Expenses</b>						
25	Non-Interest Expenses from other Banking Operations	1,118,403	605,290	1,723,693	994,287	462,828	1,457,115
26	Bank Development, Consultation and Marketing Expenses	1,286,864	223,407	1,510,271	1,053,527	130,935	1,184,462
27	Personnel Expenses	8,831,786	-	8,831,786	9,252,779	-	9,252,779
28	Operating Costs of Fixed Assets	151,860	-	151,860	93,319	-	93,319
29	Depreciation Expense	1,226,379	-	1,226,379	1,231,578	-	1,231,578
30	Other Non-Interest Expenses	1,307,127	29,885	1,337,012	1,387,763	33,445	1,421,208
31	<b>Total Non-Interest Expenses</b>	13,922,419	858,582	14,781,001	14,013,253	627,208	14,640,461
32	<b>Net Non-Interest Income</b>	(149,198)	(405,727)	(554,925)	(6,674,340)	486,064	(6,188,276)
33	<b>Net Income before Provisions</b>	9,315,648	4,186,095	13,501,743	777,446	6,701,855	7,479,301
34	Loan Loss Reserve	2,840,380	-	2,840,380	(3,589,803)	-	(3,589,803)
35	Provision for Possible Losses on Investments and Securities	-	-	-	-	-	-
36	Provision for Possible Losses on Other Assets	20,206	-	20,206	(546,907)	-	(546,907)
37	<b>Total Provisions for Possible Losses</b>	2,860,586	-	2,860,586	(4,136,710)	-	(4,136,710)
38	<b>Net Income before Taxes and Extraordinary Items</b>	6,455,062	4,186,095	10,641,157	4,914,156	6,701,855	11,616,011
39	Taxation	1,568,773	-	1,568,773	1,392,324	-	1,392,324
40	<b>Net Income after Taxation</b>	4,886,289	4,186,095	9,072,384	3,521,832	6,701,855	10,223,687
41	Extraordinary Items	-	-	-	-	-	-
42	<b>Net Income</b>	4,886,289	4,186,095	9,072,384	3,521,832	6,701,855	10,223,687

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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	<b>Contingent Liabilities and Commitments</b>	77,329,158	74,296,342	151,625,500	86,901,756	80,585,554	167,487,310
1.1	Guarantees Issued	31,705,739	41,929,251	73,634,990	26,813,994	43,555,341	70,369,335
1.2	Letters of credit Issued	0	2,165,834	2,165,834	0	1,573,143	1,573,143
1.3	Undrawn loan commitments	45,623,419	30,201,257	75,824,676	60,087,762	35,457,070	95,544,832
1.4	Other Contingent Liabilities	114,600	0	114,600	101,800	0	101,800
2	<b>Guarantees received as security for liabilities of the bank</b>	0	0	0	0	0	0
3	<b>Assets pledged as security for liabilities of the bank</b>	116,937,573	0	116,937,573	33,868,427	0	33,868,427
3.1	Financial assets of the bank	116,937,573	0	116,937,573	33,868,427	0	33,868,427
3.2	Non-financial assets of the bank	0	0	0	0	0	0
4	<b>Guarantees received as security for receivables of the bank</b>	372,318,217	23,838,603,886	24,210,922,103	260,064,888	20,705,429,203	20,965,494,091
4.1	Surety, joint liability	372,318,217	23,801,598,724	24,173,916,941	260,064,888	20,701,405,895	20,961,470,783
4.2	Guarantees	0	37,005,162	37,005,162	0	4,023,308	4,023,308
5	<b>Assets pledged as security for receivables of the bank</b>	74,914,022	3,017,726,500	3,092,640,522	55,200,205	2,835,968,534	2,891,168,739
5.1	Cash	19,696,874	62,543,119	82,239,992	8,171,778	69,591,063	77,762,842
5.2	Precious metals and stones	1	17,079,228	17,079,229	1	18,164,216	18,164,217
5.3	Real Estate:	38,211,434	2,507,141,974	2,545,353,408	37,067,905	2,360,083,061	2,397,150,965
5.3.1	Residential Property	7,101,504	829,372,953	836,474,457	5,898,973	775,718,514	781,617,487
5.3.2	Commercial Property	23,590,784	1,012,100,282	1,035,691,066	23,833,578	1,076,707,034	1,100,540,612
5.3.3	Complex Real Estate	0	33,890,170	33,890,170	0	27,896,514	27,896,514
5.3.4	Land Parcel	7,475,602	287,938,382	295,413,984	7,264,179	267,567,361	274,831,540
5.3.5	Other	43,544	343,840,187	343,883,731	71,176	212,193,637	212,264,812
5.4	Movable Property	13,904,070	241,149,873	255,053,943	6,305,877	241,363,823	247,669,700
5.5	Shares Pledged	0	68,916,362	68,916,362	1	37,570,909	37,570,910
5.6	Securities	0	52,606,753	52,606,753	0	40,037,164	40,037,164
5.7	Other	3,101,643	68,289,192	71,390,835	3,654,643	69,158,298	72,812,941
6	<b>Derivatives</b>	2,533,000	269,724,145	272,257,145	0	26,572,014	26,572,014
6.1	Receivables through FX contracts (except options)	2,533,000	134,131,058	136,664,058	0	13,677,930	13,677,930
6.2	Payables through FX contracts (except options)	0	135,593,087	135,593,087	0	12,894,084	12,894,084
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	<b>Receivables not recognized on-balance</b>	16,414,832	11,415,641	27,830,473	13,274,224	24,696,597	37,970,821
7.1	Principal of receivables derecognized during last 3 month	2,884,928	266,800	3,151,728	15,602	650,979	666,581
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	23,870	1,149	25,019	17	64	81
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	12,420,341	6,940,345	19,360,686	10,511,023	17,485,629	27,996,652
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	3,994,491	4,475,296	8,469,787	2,763,201	7,210,968	9,974,169
8	<b>Non-cancelable operating lease</b>	33,246	5,858,021	5,891,267	47,093	7,149,138	7,196,231
8.1	Through indefinit term agreement			0			0
8.2	Within one year	13,657	1,171,335	1,184,992	13,657	1,199,724	1,213,381
8.3	From 1 to 2 years	10,967	1,050,758	1,061,725	13,657	1,187,606	1,201,263
8.4	From 2 to 3 years	4,693	1,050,758	1,055,451	11,045	1,064,717	1,075,762
8.5	From 3 to 4 years	793	962,661	963,454	4,793	1,064,162	1,068,955
8.6	From 4 to 5 years	793	639,356	640,149	793	977,747	978,540
8.7	More than 5 years	2,344	983,154	985,498	3,148	1,655,182	1,658,330
9	<b>Capital expenditure commitment</b>			0			0

Bank: JSC "VTB Bank (Georgia)"  
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Table 5

**Risk Weighted Assets**

*in Lari*

N		T	T-1
1	Risk Weighted Assets for Credit Risk	1,141,792,988	1,125,575,541
1.1	Balance sheet items	1,061,290,555	1,052,642,477
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	5,647,820	6,188,928
1.2	Off-balance sheet items	77,790,572	70,236,343
1.3	Counterparty credit risk	2,711,862	2,696,721
2	Risk Weighted Assets for Market Risk	12,666,770	28,147,333
3	Risk Weighted Assets for Operational Risk	161,914,685	161,914,685
4	<b>Total Risk Weighted Assets</b>	<b>1,316,374,444</b>	<b>1,315,637,558</b>

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

<b>Members of Supervisory Board</b>	
1	VLADIMIR VERKHOSHINSKY
2	ILNAR SHAIMARDANOV
3	ARCHIL KONTSELIDZE
4	SERGEY STEPANOV
5	MAXIM KONDRATENKO
<b>Members of Board of Directors</b>	
1	Archil Kontselidze
2	Mamuka Menteshashvili
3	Niko Chkhetiani
4	Valerian Gabunia
5	Vladimer Robakidze
6	Irakli Dolidze
<b>List of Shareholders owning 1% and more of issued capital, indicating Shares</b>	
1	JSC VTB Bank 97.4%
2	LTD "Lakarpa Enterprises Limited" 1.5%
<b>List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares</b>	
1	Russian Federation 59.34%

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Table 7 | Linkages between financial statement assets and balance sheet items subject to credit risk weighting

	Account name of standardized supervisory balance sheet item	a Carrying values as reported in published stand-alone financial statements per local accounting rules	b Carrying values of items	
			Not subject to capital requirements or subject to deduction from capital	c Subject to credit risk weighting
1	Cash	53,209,506		53,209,506
2	Due from NBG	274,785,427		274,785,427
3	Due from Banks	186,358,692		186,358,692
4	Dealing Securities	0		0
5	Investment Securities	111,471,103		111,471,103
6.1	Loans	967,900,896		967,900,896
6.2	Less: Loan Loss Reserves	-56,546,063		-56,546,063
6	Net Loans	911,354,833		911,354,833
7	Accrued Interest and Dividends Receivable	8,003,903		8,003,903
8	Other Real Estate Owned & Repossessed Assets	9,340,842		9,340,842
9	Equity Investments	54,000		54,000
10	Fixed Assets and Intangible Assets	37,968,760	7,953,591	30,015,169
11	Other Assets	38,825,532		38,825,532
	<b>Total exposures subject to credit risk weighting before adjustments</b>	<b>1,631,372,598</b>	<b>7,953,591</b>	<b>1,623,419,007</b>



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

1	<b>Total carrying value of balance sheet items subject to credit risk weighting before adjustments</b>	1,623,419,007
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	151,511,457
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	135,593,087
3	<b>Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes</b>	1,910,523,551
4	Effect of provisioning rules used for capital adequacy purposes	16,177,506
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-63,440,001
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	-132,881,225
6	Effect of other adjustments	43,551
7	<b>Total exposures subject to credit risk weighting</b>	1,730,423,382

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Table 9 **Regulatory capital**

N		in Lari
1	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	181,245,481
2	Common shares that comply with the criteria for Common Equity Tier 1	209,008,277
3	Stock surplus (share premium) of common share that meets the criteria of Common Equity Tier 1	
4	Accumulated other comprehensive income	3,061,046
5	Other disclosed reserves	
6	Retained earnings (loss)	-30,823,842
7	<b>Regulatory Adjustments of Common Equity Tier 1 capital</b>	10,971,086
8	Revaluation reserves on assets	3,061,046
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	
10	Intangible assets	7,910,040
11	Shortfall of the stock of provisions to the provisions based on the Asset Classification	
12	Investments in own shares	
13	Reciprocal cross holdings in the capital of commercial banks, insurance entities and other financial institutions	
14	Cash flow hedge reserve	
15	Deferred tax assets not subject to the threshold deduction (net of related tax liability)	
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	
17	Holdings of equity and other participations constituting more than 10% of the share capital of other commercial entities	
18	Significant investments in the common shares of commercial banks, insurance entities and other financial institutions (amount above 10% limit)	
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)	
20	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	
21	The amount of significant Investments and Deferred Tax Assets which exceed 15% of common equity tier 1	
22	Regulatory adjustments applied to Common Equity Tier 1 resulting from shortfall of Tier 1 and Tier 2 capital to deduct investments	
23	<b>Common Equity Tier 1</b>	170,274,395
24	<b>Additional tier 1 capital before regulatory adjustments</b>	12,624,300
25	Instruments that comply with the criteria for Additional tier 1 capital	12,624,300
26	Including: instruments classified as equity under the relevant accounting standards	
27	Including: instruments classified as liabilities under the relevant accounting standards	12,624,300
28	Stock surplus (share premium) that meet the criteria for Additional Tier 1 capital	
29	<b>Regulatory Adjustments of Additional Tier 1 capital</b>	0
30	Investments in own Additional Tier 1 instruments	
31	Reciprocal cross-holdings in Additional Tier 1 instruments	
32	Significant investments in the Additional Tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	
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)	
34	Regulatory adjustments applied to Additional Tier 1 resulting from shortfall of Tier 2 capital to deduct investments	
35	<b>Additional Tier 1 Capital</b>	12,624,300
36	<b>Tier 2 capital before regulatory adjustments</b>	23,258,395
37	Instruments that comply with the criteria for Tier 2 capital	8,985,983
38	Stock surplus (share premium) that meet the criteria for Tier 2 capital	
39	General reserves, limited to a maximum of 1.25% of the bank's credit risk-weighted exposures	14,272,412
40	<b>Regulatory Adjustments of Tier 2 Capital</b>	0
41	Investments in own shares that meet the criteria for Tier 2 capital	
42	Reciprocal cross-holdings in Tier 2 capital	
43	Significant investments in the Tier 2 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	
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)	
45	<b>Tier 2 Capital</b>	23,258,395

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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	53,209,506	
2	Due from NBG	274,785,427	
3	Due from Banks	186,358,692	
4	Dealing Securities		
5.1	Investment Securities	111,496,103	
5.2	Less: Investment Securities Loss Reserves	-25,000	
5.2.1	General reserves of Investment Securities	25,000	Table 9 (Capital), C46
5	Net Investment Securities	111,471,103	
6.1	Loans	967,900,896	
6.2	Less: Loan Loss Reserves	-56,546,063	
6.2.1	General reserves, limited to a maximum of 1.25% of the bank's credit risk-weighted exposures	14,247,412	Table 9 (Capital), C46
6	Net Loans	911,354,833	
7	Accrued Interest and Dividends Receivable	8,003,903	
8	Other Real Estate Owned & Repossessed Assets	9,340,842	
9	Equity Investments	54,000	
9.1			
9.2	<i>Of which above 10% equity holdings in financial institutions</i>		
9.3	<i>Of which significant investments subject to limited recognition</i>		
9.3	<i>Of which below 10% equity holdings subject to limited recognition</i>		
10	Fixed Assets and Intangible Assets	37,968,760	
10.1	<i>Of which intangible assets</i>	7,953,591	Table 9 (Capital), C15
11	Other Assets	38,825,532	
11.1	Deferred Tax liabilities relating to temporary differences from Intangible assets	-43,551	Table 9 (Capital), C15
12	<b>Total assets</b>	<b>1,631,397,598</b>	
13	Due to Banks	25,185,718	
14	Current (Accounts) Deposits	233,457,930	
15	Demand Deposits	268,631,184	
16	Time Deposits	475,750,147	
17	Own Debt Securities	0	
18	Borrowings	368,033,758	
19	Accrued Interest and Dividends Payable	13,508,705	
20	Other Liabilities	18,643,536	
20.1	Including reserve amount of off-balance items (the portion that was included in regulatory capital within limits)	0	Table 9 (Capital), C46
21	Subordinated Debentures	46,916,138	
21.1	<i>Of which tier II capital qualifying instruments</i>	8,985,983	Table 9 (Capital), C44
21.2	<i>Including: instruments classified as liabilities under the relevant accounting standards</i>	12,624,300	Table 9 (Capital), C33
22	<b>Total liabilities</b>	<b>1,450,127,117</b>	
23	Common Stock	209,008,277	Table 9 (Capital), C7
24	Preferred Stock		
25	Less: Repurchased Shares		
26	Share Premium		
27	General Reserves	0	
28	Retained Earnings	-30,823,842	Table 9 (Capital), C11
29	Asset Revaluation Reserves	3,061,046	
29.1	Accumulated other comprehensive income	3,061,046	Table 9 (Capital), C9
29.2	Revaluation reserves on assets	-3,061,046	Table 9 (Capital), C13
30	<b>Total Equity Capital</b>	<b>181,245,481</b>	

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			
1 Claims or contingent claims on central governments or central banks	243,656,724	0	0	0	0	0	0	0	0	0	141,828,903	0	0	0	0	141,828,903	
2 Claims or contingent claims on regional governments or local authorities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	
3 Claims or contingent claims on public sector entities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	
4 Claims or contingent claims on multilateral development banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	
5 Claims or contingent claims on international organizations/institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	
6 Claims or contingent claims on commercial banks	0	30,722,549	0	0	0	155,862,585	0	0	0	0	4,018,000	0	0	0	0	88,093,803	
7 Claims or contingent claims on corporates	0	0	0	0	0	0	0	0	0	0	431,343,020	85,519,609	2,298,260	0	0	500,310,028	
8 Retail claims or contingent retail claims	0	0	0	0	0	0	0	319,335,420	15,883,335	6,028,526	66,686	34,893,267	2,033,679	0	0	312,968,705	
9 Claims or contingent claims secured by mortgages on residential property	0	0	125,498,996	951,147	0	0	0	0	0	0	0	0	0	0	0	44,117,636	
10 Past due items	0	0	0	0	0	310,800	0	0	0	0	13,859,231	804,402	0	0	0	15,221,234	
11 Items belonging to regulatory high-risk categories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	
12 Short-term claims on commercial banks and corporates	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	
13 Claims in the form of collective investment undertakings (CIU)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	
14 Other items	53,209,506	0	0	0	0	0	0	0	0	0	77,658,765	0	0	2,259,128	0	83,306,688	
<b>Total</b>	<b>296,866,230</b>	<b>0</b>	<b>30,722,549</b>	<b>0</b>	<b>125,498,996</b>	<b>951,147</b>	<b>-156,173,385</b>	<b>0</b>	<b>319,335,420</b>	<b>15,883,335</b>	<b>670,788,457</b>	<b>89,603,294</b>	<b>37,895,930</b>	<b>2,033,679</b>	<b>2,259,128</b>	<b>0</b>	<b>1,185,846,787</b>

Table 12	Credit Risk Mitigation													Total Credit Risk Mitigation - Off						
	On-balance sheet netting	Cash on deposit with, or cash assimilated instruments	Debt securities issued by central governments or central banks, regional governments or local authorities, public sector entities, multilateral development banks and international organizations/institutions	Debt securities issued by regional governments or local authorities, public sector entities, multilateral development banks and international organizations/institutions	Debt securities issued by other entities, which securities have a credit assessment, which has been determined by NBS to be associated with credit quality step 3 or above under the rules for the risk mitigation of bank	Debt securities with a short-term credit assessment, which has been determined by NBS to be associated with credit quality step 3 or above under the rules for the risk mitigation of bank	Equities or convertible bonds that are included in a main index	Standard gold bullion or equivalent	Debt securities without credit rating issued by commercial banks	Units in collective investment undertakings	Central governments or central banks	Regional governments or local authorities	Multilateral development banks	International organizations / institutions	Public sector entities	Commercial banks	Other corporate entities that have a credit assessment, which has been determined by NBS to be associated with credit quality step 2 or above under the rules for the risk mitigation of	Total Credit Risk Mitigation - On-balance sheet	Total Credit Risk Mitigation - Off	Total Credit Risk Mitigation
1		0						0										0		0
2		0						0										0		0
3		0						0										0		0
4		0						0										0		0
5		0						0										0		0
6		0						0										0		0
7		24 170 182						9 227										18 957 508	5 222 450	24 179 800
8		14 244 880						8 238 604										20 957 306	1 746 244	22 703 550
9		0						0										0		0
10		0						12 187										12 187		12 187
11		0						0										0		0
12		0						0										0		0
13		0						0										0		0
14		0						0										0		0
<b>Total</b>	<b>0</b>	<b>38 715 063</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8 050 608</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38 797 026</b>	<b>6 968 644</b>	<b>45 765 671</b>	

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Table 13 Standardized approach - Effect of credit risk mitigation

	a	b		d	e	f
		Off-balance sheet exposures				
Asset Classes	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 $f=(a+c)$
1 Claims or contingent claims on central governments or central banks	385,485,627	0	0	141,828,903	141,828,903	37%
2 Claims or contingent claims on regional governments or local authorities	0	0	0	0	0	0%
3 Claims or contingent claims on public sector entities	0	0	0	0	0	0%
4 Claims or contingent claims on multilateral development banks	0	0	0	0	0	0%
5 Claims or contingent claims on international organizations/institutions	0	0	0	0	0	0%
6 Claims or contingent claims on commercial banks	186,585,135	8,036,000	4,018,000	88,093,803	88,093,803	46%
7 Claims or contingent claims on corporates	433,641,289	112,498,479	65,767,424	500,681,751	476,501,842	95%
8 Retail claims or contingent retail claims	360,327,223	29,917,305	17,734,885	312,596,982	290,023,408	77%
9 Claims or contingent claims secured by mortgages on residential property	125,498,956	1,059,674	551,147	44,117,536	44,117,536	35%
10 Past due items	14,974,433	0	0	15,221,234	15,209,047	102%
11 Items belonging to regulatory high-risk categories	0	0	0	0	0	0%
12 Short-term claims on commercial banks and corporates	0	0	0	0	0	0%
13 Claims in the form of collective investment undertakings ("CIU")	0	0	0	0	0	0%
14 Other items	133,127,402	0	0	83,306,588	83,306,588	63%
<b>Total</b>	<b>1,639,640,065</b>	<b>151,511,457</b>	<b>88,071,456</b>	<b>1,185,846,797</b>	<b>1,139,081,127</b>	<b>66%</b>

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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
<b>High-quality liquid assets</b>									
1 Total HQLA				154,212,073	207,203,286	361,415,359	149,846,106	174,188,966	324,035,072
<b>Cash outflows</b>									
2 Retail deposits	80,099,288	305,308,410	385,407,698	9,865,432	41,845,654	51,711,086	2,564,582	11,160,393	13,724,975
3 Unsecured wholesale funding	321,626,568	542,429,127	864,055,695	133,933,703	83,282,972	217,216,675	105,786,165	65,813,631	171,599,796
4 Secured wholesale funding	48,334,589	-	48,334,589	-	-	-	-	-	-
5 Outflows related to off-balance sheet obligations and net short position of derivative exposures	72,627,177	61,534,255	134,161,431	17,470,830	13,914,700	31,385,530	5,448,979	4,008,478	9,457,457
6 Other contractual funding obligations	-	-	-	-	-	-	-	-	-
7 Other contingent funding obligations	17,517,036	11,482,699	29,399,734	2,692,297	2,298,151	4,990,448	2,692,297	2,298,151	4,990,448
8 <b>TOTAL CASH OUTFLOWS</b>	540,604,657	920,754,490	1,461,359,147	163,962,162	141,341,477	305,303,739	116,492,023	83,280,653	199,772,676
<b>Cash inflows</b>									
9 Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	469,643,170	664,094,442	1,133,737,612	12,914,027	6,135,127	19,049,154	17,279,994	194,739,526	212,019,520
11 Other cash inflows	14,940,941	204,553,898	219,494,838	1,186,016	-	1,186,016	1,186,016	-	1,186,016
12 <b>TOTAL CASH INFLOWS</b>	484,584,111	868,648,340	1,353,232,450	14,100,043	6,135,127	20,235,170	18,466,010	194,739,526	213,205,536
				Total value according to NBG's methodology* (with limits)			Total value according to Basel methodology (with limits)		
13 Total HQLA				154,212,073	207,203,286	361,415,359	149,846,106	174,188,966	324,035,072
14 Net cash outflow				149,862,219	135,206,349	285,068,569	98,026,013	20,820,163	49,943,169
15 Liquidity coverage ratio (%)				102.9%	153.2%	126.8%	152.9%	836.6%	648.8%

\* 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.

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	<b>FX contracts</b>											
1.1	Maturity less than 1 year	135,593,087	2,711,862	0	0	0	0	0	2,711,862	0	0	2,711,862
1.2	Maturity from 1 year up to 2 years	0	0	0	0	0	0	0	0	0	0	0
1.3	Maturity from 2 years up to 3 years	0	0	0	0	0	0	0	0	0	0	0
1.4	Maturity from 3 years up to 4 years	0	0	0	0	0	0	0	0	0	0	0
1.5	Maturity from 4 years up to 5 years	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	0
2	<b>Interest rate contracts</b>											
2.1	Maturity less than 1 year	0	0	0	0	0	0	0	0	0	0	0
2.2	Maturity from 1 year up to 2 years	0	0	0	0	0	0	0	0	0	0	0
2.3	Maturity from 2 years up to 3 years	0	0	0	0	0	0	0	0	0	0	0
2.4	Maturity from 3 years up to 4 years	0	0	0	0	0	0	0	0	0	0	0
2.5	Maturity from 4 years up to 5 years	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	0
	<b>Total</b>	<b>135,593,087</b>	<b>2,711,862</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,711,862</b>	<b>0</b>	<b>0</b>	<b>2,711,862</b>