

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

31/03/2019

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.

Table N		Table of contents
1	Key ratios	
2	Balance Sheet	
3	Income statement	
4	Off-balance sheet	
5	Risk-Weighted Assets (RWA)	
6	Information about supervisory board, senior management and shareholders	
7	Linkages between financial statement assets and balance sheet items subject to credit risk weighting	
8	Differences between carrying values of balance sheet items and exposure amounts subject to credit risk weighting	
9	Regulatory Capital	
9.1	Capital Adequacy Requirements	
10	Reconciliation of regulatory capital to balance sheet	
11	Credit risk weighted exposures	
12	Credit risk mitigation	
13	Standardized approach - effect of credit risk mitigation	
14	Liquidity Coverage Ratio	
15	Counterparty credit risk	
15.1	Leverage Ratio	

Bank: JSC "VTB Bank (Georgia)"

Date: 31/03/2019

Table 1 **Key metrics**

N		T	T-1	T-2	T-3	T-4
	Regulatory capital (amounts, GEL)					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CET1)	191,195,007	189,346,178	187,074,034	184,255,785	170,274,395
2	Tier 1	203,686,407	200,922,578	198,996,634	195,961,485	182,898,695
3	Total regulatory capital	276,552,071	269,689,213	252,100,717	219,221,448	206,157,090
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	1,494,786,840	1,503,903,294	1,435,729,454	1,336,668,934	1,316,374,444
	Capital ratios as a percentage of RWA					
	<i>Based on Basel III framework</i>					
5	Common equity Tier 1 ratio $\geq 8.86841061635067\%$	12.79%	12.59%	13.03%	13.78%	12.94%
6	Tier 1 ratio $\geq 10.9981269563507\%$	13.63%	13.36%	13.86%	14.66%	13.89%
7	Total Regulatory Capital ratio $\geq 17.2875737781655\%$	18.50%	17.93%	17.56%	16.40%	15.66%
	Income					
8	Total Interest Income / Average Annual Assets	7.76%	7.68%	7.56%	7.48%	7.57%
9	Total Interest Expense / Average Annual Assets	4.12%	3.86%	3.90%	3.87%	3.84%
10	Earnings from Operations / Average Annual Assets	3.42%	0.63%	0.60%	0.98%	2.54%
11	Net Interest Margin	3.62%	3.79%	3.66%	3.61%	3.73%
12	Return on Average Assets (ROAA)	0.61%	1.98%	2.38%	3.30%	2.41%
13	Return on Average Equity (ROAE)	4.78%	16.25%	19.84%	28.40%	21.65%
	Asset Quality					
14	Non Performed Loans / Total Loans	6.65%	6.05%	5.47%	5.24%	5.82%
15	LLR/Total Loans	5.94%	5.62%	5.66%	5.45%	5.84%
16	FX Loans/Total Loans	50.69%	50.46%	50.82%	52.61%	51.97%
17	FX Assets/Total Assets	49.76%	49.46%	50.51%	50.82%	51.21%
18	Loan Growth-YTD	-0.78%	14.67%	10.83%	7.45%	-0.79%
	Liquidity					
19	Liquid Assets/Total Assets	26.30%	23.69%	23.38%	24.74%	24.37%
20	FX Liabilities/Total Liabilities	60.98%	60.04%	59.25%	59.83%	60.57%
21	Current & Demand Deposits/Total Assets	33.35%	35.91%	33.63%	33.93%	30.78%
	Liquidity Coverage Ratio***					
22	Total HQLA	366,119,622	369,227,759	310,923,623	323,900,478	411,430,881
23	Net cash outflow	272,760,623	337,331,837	286,897,014	308,607,900	331,500,651
24	LCR ratio (%)	134.23%	109.46%	108.37%	104.96%	124.11%

*** 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.

Bank: JSC "VTB Bank (Georgia)"

Date: 31/03/2019

Table 2

Balance Sheet

in Lari

N	Assets	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	30,077,273	18,661,819	48,739,092	30,120,455	23,089,051	53,209,506
2	Due from NBG	25,952,444	167,483,244	193,435,688	133,008,589	141,776,838	274,785,427
3	Due from Banks	1,942,912	51,759,190	53,702,102	29,249	186,329,443	186,358,692
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	110,246,221	0	110,246,221	111,471,103	0	111,471,103
6.1	Loans	547,431,571	562,649,768	1,110,081,338	464,854,925	503,045,971	967,900,896
6.2	Less: Loan Loss Reserves	-32,294,425	-33,605,961	-65,900,386	-24,034,860	-32,511,203	-56,546,063
6	Net Loans	515,137,146	529,043,806	1,044,180,952	440,820,065	470,534,768	911,354,833
7	Accrued Interest and Dividends Receivable	6,085,468	2,383,587	8,469,055	5,542,361	2,461,542	8,003,903
8	Other Real Estate Owned & Repossessed Assets	8,483,208	0	8,483,208	9,340,842	0	9,340,842
9	Equity Investments	54,000	0	54,000	54,000	0	54,000
10	Fixed Assets and Intangible Assets	61,766,003	0	61,766,003	37,968,760	0	37,968,760
11	Other Assets	34,292,203	17,094,846	51,387,049	27,576,353	11,249,179	38,825,532
12	Total assets	794,036,878	786,426,492	1,580,463,370	795,931,778	835,440,820	1,631,372,598
	Liabilities						
13	Due to Banks	553,741	401,632	955,373	18,884,268	6,301,450	25,185,718
14	Current (Accounts) Deposits	164,783,840	135,604,949	300,388,789	101,172,523	132,285,407	233,457,930
15	Demand Deposits	145,586,796	81,065,532	226,652,328	172,930,980	95,700,204	268,631,184
16	Time Deposits	199,503,562	358,446,781	557,950,343	173,132,896	302,617,251	475,750,147
17	Own Debt Securities			0			0
18	Borrowings	0	170,115,211	170,115,211	89,718,000	278,315,758	368,033,758
19	Accrued Interest and Dividends Payable	4,766,548	6,350,100	11,116,648	4,346,401	9,162,304	13,508,705
20	Other Liabilities	19,683,540	15,008,554	34,692,095	11,611,953	7,031,584	18,643,536
21	Subordinated Debentures	0	69,010,205	69,010,205	0	46,916,138	46,916,138
22	Total liabilities	534,878,027	836,002,964	1,370,880,991	571,797,021	878,330,096	1,450,127,117
	Equity Capital						
23	Common Stock	209,008,277	0	209,008,277	209,008,277	0	209,008,277
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	-9,179,668	0	-9,179,668	-30,823,842	0	-30,823,842
29	Asset Revaluation Reserves	9,753,770	0	9,753,770	3,061,046	0	3,061,046
30	Total Equity Capital	209,582,379	0	209,582,379	181,245,481	0	181,245,481
31	Total liabilities and Equity Capital	744,460,406	836,002,964	1,580,463,370	753,042,502	878,330,096	1,631,372,598

Bank: JSC "VTB Bank (Georgia)"
Date: 31/03/2019

Table 3 **Income statement** in Lari

N	N	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
		Interest Income					
1	Interest Income from Bank's "Nostró" and Deposit Accounts	539,671	276,421	816,092	521,309	1,147,773	1,669,082
2	Interest Income from Loans	17,178,946	10,189,146	27,368,092	14,982,347	9,696,808	24,679,155
2.1	from the Interbank Loans	0	0	0	43,359	0	43,359
2.2	from the Retail or Service Sector Loans	2,217,635	3,234,468	5,452,102	1,784,687	3,364,445	5,149,131
2.3	from the Energy Sector Loans	552,227	264,136	816,363	604,119	617,054	1,221,173
2.4	from the Agriculture and Forestry Sector Loans	869,709	466,700	1,336,410	484,325	552,562	1,036,887
2.5	from the Construction Sector Loans	67,859	590,749	658,608	112,907	584,982	697,890
2.6	from the Mining and Mineral Processing Sector Loans	663,222	769,341	1,432,563	449,895	1,130,984	1,580,879
2.7	from the Transportation or Communications Sector Loans	58,111	715,299	773,410	52,283	336,369	388,652
2.8	from Individuals Loans	11,876,314	2,921,345	14,797,659	10,969,394	2,681,837	13,651,231
2.9	from Other Sectors Loans	873,869	1,227,109	2,100,978	481,378	428,575	909,953
3	Fees/penalties income from loans to customers			0			0
4	Interest and Discount Income from Securities	1,869,080	0	1,869,080	2,001,326	0	2,001,326
5	Other Interest Income	204,021	61,501	265,522	58,728	141,662	200,390
6	Total Interest Income	19,791,718	10,527,068	30,318,786	17,563,710	10,986,243	28,549,953
		Interest Expense					
7	Interest Paid on Demand Deposits	3,755,204	328,089	4,083,294	1,806,795	292,477	2,099,272
8	Interest Paid on Time Deposits	4,883,344	2,732,271	7,615,615	5,458,976	2,692,376	8,151,352
9	Interest Paid on Banks Deposits	116,742	1,735	118,477	236,281	165	236,446
10	Interest Paid on Own Debt Securities	0	0	0	0	0	0
11	Interest Paid on Other Borrowings	154,029	3,855,764	4,009,793	595,530	3,404,897	4,000,427
12	Other Interest Expenses	199,035	125,163	324,198	1,282	4,506	5,788
13	Total Interest Expense	9,108,354	7,043,022	16,151,376	8,098,864	6,394,421	14,493,285
14	Net Interest Income	10,683,364	3,484,046	14,167,410	9,464,846	4,591,822	14,056,668
		Non-Interest Income					
15	Net Fee and Commission Income	2,748,228	122,744	2,870,972	4,989,037	242,620	5,231,656
15.1	Fee and Commission Income	3,319,448	1,426,923	4,746,371	5,415,447	1,471,174	6,886,621
15.2	Fee and Commission Expense	571,220	1,304,179	1,875,399	426,410	1,228,554	1,654,964
16	Dividend Income	0	0	0	0	0	0
17	Gain (Loss) from Dealing Securities	0	0	0	0	0	0
18	Gain (Loss) from Investment Securities	0	0	0	0	0	0
19	Gain (Loss) from Foreign Exchange Trading	10,703,106	0	10,703,106	4,079,144	0	4,079,144
20	Gain (Loss) from Foreign Exchange Translation	-8,036,054	0	-8,036,054	-1,386,733	0	-1,386,733
21	Gain (Loss) on Sales of Fixed Assets	101,723	0	101,723	5,301,629	0	5,301,629
22	Non-Interest Income from other Banking Operations	35,686	0	35,686	86,913	0	86,913
23	Other Non-Interest Income	845,943	501,061	1,347,004	703,232	210,235	913,467
24	Total Non-Interest Income	6,398,632	623,805	7,022,437	13,773,221	452,855	14,226,076
		Non-Interest Expenses					
25	Non-Interest Expenses from other Banking Operations	520,141	625,930	1,146,071	1,118,403	605,290	1,723,693
26	Bank Development, Consultation and Marketing Expenses	973,361	161,101	1,134,462	1,286,864	223,407	1,510,271
27	Personnel Expenses	9,782,431	0	9,782,431	8,831,786	0	8,831,786
28	Operating Costs of Fixed Assets	143,984	0	143,984	151,860	0	151,860
29	Depreciation Expense	1,968,168	0	1,968,168	1,226,379	0	1,226,379
30	Other Non-Interest Expenses	1,514,685	30,793	1,545,478	1,307,127	29,885	1,337,012
31	Total Non-Interest Expenses	14,902,770	817,824	15,720,594	13,922,419	858,582	14,781,001
32	Net Non-Interest Income	-8,504,138	-194,019	-8,698,157	-149,198	-405,727	-554,925
33	Net Income before Provisions	2,179,226	3,290,027	5,469,253	9,315,648	4,186,095	13,501,743
34	Loan Loss Reserve	2,815,671	0	2,815,671	2,840,380	0	2,840,380
35	Provision for Possible Losses on Investments and Securities	0	0	0	0	0	0
36	Provision for Possible Losses on Other Assets	20,553	0	20,553	20,206	0	20,206
37	Total Provisions for Possible Losses	2,836,224	0	2,836,224	2,860,586	0	2,860,586
38	Net Income before Taxes and Extraordinary Items	-656,998	3,290,027	2,633,029	6,455,062	4,186,095	10,641,157
39	Taxation	253,186		253,186	1,568,773		1,568,773
40	Net Income after Taxation	-910,184	3,290,027	2,379,843	4,886,289	4,186,095	9,072,384
41	Extraordinary Items			0			0
42	Net Income	-910,184	3,290,027	2,379,843	4,886,289	4,186,095	9,072,384

Bank: JSC "VTB Bank (Georgia)"
Date: 31/03/2019

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	64,354,178	78,860,862	143,215,040	77,329,158	74,296,342	151,625,500
1.1	Guarantees Issued	30,394,866	41,365,286	71,760,152	31,705,739	41,929,251	73,634,990
1.2	Letters of credit Issued	0	6,848,497	6,848,497	0	2,165,834	2,165,834
1.3	Undrawn loan commitments	33,959,312	30,647,079	64,606,391	45,623,419	30,201,257	75,824,676
1.4	Other Contingent Liabilities	12,800	0	12,800	114,600	0	114,600
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	0	0	0	116,937,573	0	116,937,573
3.1	Financial assets of the bank	0	0	0	116,937,573	0	116,937,573
3.2	Non-financial assets of the bank	0	0	0	0	0	0
4	Guarantees received as security for receivables of the bank	441,498,030	30,400,604,203	30,842,102,233	372,318,217	23,838,603,886	24,210,922,103
4.1	Surety, joint liability	441,498,030	30,314,144,300	30,755,642,330	372,318,217	23,801,598,724	24,173,916,941
4.2	Guarantees	0	86,459,903	86,459,903	0	37,005,162	37,005,162
5	Assets pledged as security for receivables of the bank	166,914,053	4,125,634,183	4,292,548,236	74,914,022	3,017,726,500	3,092,640,522
5.1	Cash	16,735,264	47,577,425	64,312,690	19,696,874	62,543,119	82,239,992
5.2	Precious metals and stones	1	18,504,724	18,504,725	1	17,079,228	17,079,229
5.3	Real Estate:	128,204,098	3,102,347,716	3,230,551,814	38,211,434	2,507,141,974	2,545,353,408
5.3.1	Residential Property	6,313,518	1,091,620,756	1,097,934,275	7,101,504	829,372,953	836,474,457
5.3.2	Commercial Property	28,590,778	1,193,036,858	1,221,627,636	23,590,784	1,012,100,282	1,035,691,066
5.3.3	Complex Real Estate	0	33,924,513	33,924,513	0	33,890,170	33,890,170
5.3.4	Land Parcel	7,237,257	376,666,932	383,904,189	7,475,602	287,938,382	295,413,984
5.3.5	Other	86,062,545	407,098,656	493,161,201	43,544	343,840,187	343,883,731
5.4	Movable Property	18,490,526	324,689,020	343,179,546	13,904,070	241,149,873	255,053,943
5.5	Shares Pledged	10	501,016,684	501,016,694	0	68,916,362	68,916,362
5.6	Securities	0	55,884,628	55,884,628	0	52,606,753	52,606,753
5.7	Other	3,484,153	75,613,986	79,098,139	3,101,643	68,289,192	71,390,835
6	Derivatives	1,752,933	281,465,493	283,218,426	2,533,000	269,724,145	272,257,145
6.1	Receivables through FX contracts (except options)	0	146,229,738	146,229,738	2,533,000	134,131,058	136,664,058
6.2	Payables through FX contracts (except options)	1,752,933	135,235,755	136,988,688	0	135,593,087	135,593,087
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	10,878,140	12,043,148	22,921,288	16,414,832	11,415,641	27,830,473
7.1	Principal of receivables derecognized during last 3 month	50,250	164	50,414	2,884,928	266,800	3,151,728
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	196	0	196	23,870	1,149	25,019
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	6,727,339	6,894,025	13,621,364	12,420,341	6,940,345	19,360,686
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	4,150,801	5,149,123	9,299,924	3,994,491	4,475,296	8,469,787
8	Non-cancelable operating lease	18,659	4,745,152	4,763,811	33,246	5,858,021	5,891,267
8.1	Through indefinit term agreement	0	0	0	0	0	0
8.2	Within one year	2,688	1,125,681	1,128,369	13,657	1,171,335	1,184,992
8.3	From 1 to 2 years	2,688	1,117,211	1,119,899	10,967	1,050,758	1,061,725
8.4	From 2 to 3 years	2,688	1,015,918	1,018,606	4,693	1,050,758	1,055,451
8.5	From 3 to 4 years	2,688	652,419	655,107	793	962,661	963,454
8.6	From 4 to 5 years	2,688	449,165	451,853	793	639,356	640,149
8.7	More than 5 years	5,219	384,759	389,978	2,344	983,154	985,498
9	Capital expenditure commitment			0			0

Bank: JSC "VTB Bank (Georgia)"
Date: 31/03/2019

Table 5

Risk Weighted Assets

in Lari

N		T	T-1
1	Risk Weighted Assets for Credit Risk	1,307,748,733	1,311,028,430
1.1	Balance sheet items	1,231,842,358	1,224,061,505
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	3,338,680	3,194,042
1.2	Off-balance sheet items	67,590,227	79,080,970
1.3	Counterparty credit risk	8,316,148	7,885,955
2	Risk Weighted Assets for Market Risk	13,457,853	19,294,610
3	Risk Weighted Assets for Operational Risk	173,580,254	173,580,254
4	Total Risk Weighted Assets	1,494,786,840	1,503,903,294

Bank: JSC "VTB Bank (Georgia)"
 Date: 31/03/2019

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

Members of Supervisory Board	
1	OLEG SMIRNOV
2	ILNAR SHAIMARDANOV
3	SERGEY STEPANOV
4	MAXIM KONDRATENKO
5	MERAB KAKULIA
6	GOCHA MATSABERIDZE
Members of Board of Directors	
1	Archil Kontselidze
2	Mamuka Menteshashvili
3	Niko Chkhetiani
4	Valerian Gabunia
5	Vladimer Robakidze
6	Irakli Dolidze
List of Shareholders owning 1% and more of issued capital, indicating Shares	
1	JSC VTB Bank 97.38%
2	LTD "Lakarpa Enterprises Limited" 1.47%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares	
1	Russian Federation 59.34%

Bank: JSC "VTB Bank (Georgia)"

Date: 31/03/2019

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

		a	b	c
	Account name of standardized supervisory balance sheet item	Carrying values as reported in published stand-alone financial statements per local accounting rules	Carrying values of items	
			Not subject to capital requirements or subject to deduction from capital	Subject to credit risk weighting
1	Cash	48,739,092		48,739,092
2	Due from NBG	193,435,688		193,435,688
3	Due from Banks	53,702,102		53,702,102
4	Dealing Securities	0		0
5	Investment Securities	110,246,221		110,246,221
6.1	Loans	1,110,081,338		1,110,081,338
6.2	<i>Less: Loan Loss Reserves</i>	<i>-65,900,386</i>		<i>-65,900,386</i>
6	Net Loans	1,044,180,952		1,044,180,952
7	Accrued Interest and Dividends Receivable	8,469,055		8,469,055
8	Other Real Estate Owned & Repossessed Assets	8,483,208		8,483,208
9	Equity Investments	54,000		54,000
10	Fixed Assets and Intangible Assets	61,766,003	9,031,736	52,734,267
11	Other Assets	51,387,049		51,387,049
	Total exposures subject to credit risk weighting before adjustments	1,580,463,370	9,031,736	1,571,431,634

Bank: JSC "VTB Bank (Georgia)"

Date: 31/03/2019

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	1,571,431,634
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	143,139,376
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	136,988,688
3	Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes	1,851,559,699
4	Effect of provisioning rules used for capital adequacy purposes	19,170,411
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-60,146,347
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	-128,672,540
6	Effect of other adjustments	398,134
7	Total exposures subject to credit risk weighting	1,682,309,356

Bank: JSC "VTB Bank (Georgia)"

Date: 31/03/2019

Table 9

Regulatory capital

N		in Lari
1	Common Equity Tier 1 capital before regulatory adjustments	209,582,379
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	9,753,770
5	Other disclosed reserves	
6	Retained earnings (loss)	-9,179,668
7	Regulatory Adjustments of Common Equity Tier 1 capital	18,387,372
8	Revaluation reserves on assets	9,753,770
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	8,633,602
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	Common Equity Tier 1	191,195,007
24	Additional tier 1 capital before regulatory adjustments	12,491,400
25	Instruments that comply with the criteria for Additional tier 1 capital	12,491,400
26	Including: instruments classified as equity under the relevant accounting standards	
27	Including: instruments classified as liabilities under the relevant accounting standards	12,491,400
28	Stock surplus (share premium) that meet the criteria for Additional Tier 1 capital	
29	Regulatory Adjustments of Additional Tier 1 capital	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	Additional Tier 1 Capital	12,491,400
36	Tier 2 capital before regulatory adjustments	72,865,664
37	Instruments that comply with the criteria for Tier 2 capital	56,518,805
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	16,346,859
40	Regulatory Adjustments of Tier 2 Capital	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	Tier 2 Capital	72,865,664

Bank: JSC "VTB Bank (Georgia)"

Date: 31/03/2019

Table 9.1 Capital Adequacy Requirements

Minimum Requirements		Ratios	Amounts (GEL)
1	Pillar 1 Requirements		
1.1	Minimum CET1 Requirement	4.50%	67,265,408
1.2	Minimum Tier 1 Requirement	6.00%	89,687,210
1.3	Minimum Regulatory Capital Requirement	8.00%	119,582,947
2	Combined Buffer		
2.1	Capital Conservation Buffer	2.50%	37,369,671
2.2	Countercyclical Buffer	0.00%	-
2.3	Systemic Risk Buffer		-
3	Pillar 2 Requirements		
3.1	CET1 Pillar 2 Requirement	1.87%	27,928,756
3.2	Tier 1 Pillar2 Requirement	2.50%	37,341,673
3.3	Regulatory capital Pillar 2 Requirement	6.79%	101,459,760
Total Requirements		Ratios	Amounts (GEL)
4	CET1	8.87%	132,563,835
5	Tier 1	11.00%	164,398,554
6	Total regulatory Capital	17.29%	258,412,378

Bank: JSC "VTB Bank (Georgia)"

Date: 31/03/2019

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	48,739,092	
2	Due from NBG	193,435,688	
3	Due from Banks	53,702,102	
4	Dealing Securities		
5.1	Investment Securities	110,471,221	
5.2	Less: Investment Securities Loss Reserves	-225,000	
5.2.1	General reserves of Investment Securities	225,000	Table 9 (Capital), C46
5	Net Investment Securities	110,246,221	
6.1	Loans	1,110,081,338	
6.2	Less: Loan Loss Reserves	-65,900,386	
6.2.1	General reserves, limited to a maximum of 1.25% of the bank's credit risk-weighted exposures	16,121,859	Table 9 (Capital), C46
6	Net Loans	1,044,180,952	
7	Accrued Interest and Dividends Receivable	8,469,055	
8	Other Real Estate Owned & Repossessed Assets	8,483,208	
9	Equity Investments	54,000	
9.1	Of which above 10% equity holdings in financial institutions		
9.2	Of which significant investments subject to limited recognition		
9.3	Of which below 10% equity holdings subject to limited recognition		
10	Fixed Assets and Intangible Assets	61,766,003	
10.1	Of which intangible assets	9,031,736	Table 9 (Capital), C15
11	Other Assets	51,387,049	
11.1	Deferred Tax liabilities relating to temporary differences from Intangible assets	-398,134	Table 9 (Capital), C15
12	Total assets	1,580,463,370	
13	Due to Banks	955,373	
14	Current (Accounts) Deposits	300,388,789	
15	Demand Deposits	226,652,328	
16	Time Deposits	557,950,343	
17	Own Debt Securities	0	
18	Borrowings	170,115,211	
19	Accrued Interest and Dividends Payable	11,116,648	
20	Other Liabilities	34,692,095	
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	69,010,205	
21.1	Of which tier II capital qualifying instruments	56,518,805	Table 9 (Capital), C44
21.2	Including: instruments classified as liabilities under the relevant accounting standards	12,491,400	Table 9 (Capital), C33
22	Total liabilities	1,370,880,991	
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	-9,179,668	Table 9 (Capital), C11
29	Asset Revaluation Reserves	9,753,770	
29.1	Accumulated other comprehensive income	9,753,770	Table 9 (Capital), C9
29.2	Revaluation reserves on assets	-9,753,770	Table 9 (Capital), C13
30	Total Equity Capital	209,582,379	

Bank: JSC "VTB Bank (Georgia)"
 Date: 31/03/2019

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	125,282,632		0		0		0		0		167,504,616		0		0		167,504,616
2 Claims or contingent claims on regional governments or local authorities	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		-
4 Claims or contingent claims on multilateral development banks	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		-
6 Claims or contingent claims on commercial banks	0		20,704,858		0		32,781,519		0		218,347	4,058,826	0		0		24,806,903
7 Claims or contingent claims on corporates	0	0	0	0	0	0	0	0	0	504,152,398	60,263,280	4,280,303	112,788	0	0	0	571,020,314
8 Retail claims or contingent retail claims	0		0		0		0		241,323,408	14,488,908	35,300,191	167,875	106,028,595	2,130,536	0	0	389,565,999
9 Claims or contingent claims secured by mortgages on residential property	0		0		162,993,164	1,770,820	0		0		0		0		0		57,667,394
10 Past due items	0		0		0		279,712		0		16,245,909		160,049		0		16,625,838
11 Items belonging to regulatory high-risk categories	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		-
13 Claims in the form of collective investment undertakings (CIU)	0		0		0		0		0		0		0		0		-
14 Other items	59,147,287		0		0		0		0		113,251,319		0		1,335,472		116,589,999
Total	184,430,119	0	20,704,858	0	162,993,164	1,770,820	33,061,231	0	241,323,408	14,488,908	836,672,979	64,489,980	110,478,947	2,243,323	1,335,472	0	1,343,783,263

Table 12 Credit Risk Mitigation

	On-balance sheet netting	Funded Credit Protection									Unfunded Credit Protection						Total Credit Risk Mitigation - On-balance sheet	Total Credit Risk Mitigation - Off-balance sheet	Total Credit Risk Mitigation			
		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 weighting of exposures to corporates.	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 weighting of short term exposures	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 weighting of exposures to corporates		
1	Claims or contingent claims on central governments or central banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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	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	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	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	0	0	0	0	0	0
6	Claims or contingent claims on commercial banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Claims or contingent claims on corporates	31,452,450	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Retail claims or contingent retail claims	12,880,144	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Claims or contingent claims secured by mortgages on residential property	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Past due items	18,084	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Items belonging to regulatory high-risk categories	0	0	0	0	0	0	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	0	0	0	0	0	0
13	Claims in the form of collective investment undertakings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Other items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		0	48,350,678	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	32,609,472	11,741,205	44,350,678

Bank: JSC "VTB Bank (Georgia)"
Date: 31/03/2019

Table 13 Standardized approach - Effect of credit risk mitigation

		a	b	c	d	e	f
		On-balance sheet exposures	Off-balance sheet exposures		RWA before Credit Risk Mitigation	RWA post Credit Risk Mitigation	RWA Density f=e/(a+c)
Asset Classes			Off-balance sheet exposures - Nominal value	Off-balance sheet exposures post CCF			
1	Claims or contingent claims on central governments or central banks	292,787,648	0	0	167,504,816	167,504,816	57%
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	53,704,724	8,117,651	4,058,826	24,808,903	24,808,903	43%
7	Claims or contingent claims on corporates	508,442,701	101,741,829	60,376,067	571,020,314	539,567,864	95%
8	Retail claims or contingent retail claims	382,652,194	29,807,599	16,787,318	389,565,999	376,685,855	94%
9	Claims or contingent claims secured by mortgages on residential property	162,993,164	3,472,298	1,770,820	57,667,394	57,667,394	35%
10	Past due items	16,685,670	0	0	16,625,838	16,607,754	100%
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	173,734,078	0	0	116,589,999	116,589,999	67%
Total		1,591,000,178	143,139,376	82,993,031	1,343,783,263	1,299,432,585	78%

Bank: JSC "VTB Bank (Georgia)"
Date: 31/03/2019

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				162,167,050	196,681,210	358,848,260	156,972,349	195,522,198	352,494,547
Cash outflows										
2	Retail deposits	106,560,526	328,675,362	435,235,888	9,281,602	27,836,794	37,118,396	2,330,953	7,046,699	9,377,652
3	Unsecured wholesale funding	396,783,570	466,937,269	863,720,839	145,862,039	87,864,732	233,726,771	120,155,759	67,922,068	188,077,828
4	Secured wholesale funding	8,315,356	-	8,315,356	-	-	-	-	-	-
5	Outflows related to off-balance sheet obligations and net short position of derivative exposures	77,233,698	77,587,179	154,820,877	15,698,852	14,121,875	29,820,727	5,555,041	5,291,789	10,846,830
6	Other contractual funding obligations	-	-	-	-	-	-	-	-	-
7	Other contingent funding obligations	25,194,766	10,224,302	35,419,067	8,786,848	2,957,282	11,744,130	8,786,848	2,957,282	11,744,130
8	TOTAL CASH OUTFLOWS	614,087,915	883,424,112	1,497,512,027	179,629,341	132,780,684	312,410,024	136,828,601	83,217,838	220,046,439
Cash inflows										
9	Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	597,639,162	616,983,004	1,214,622,166	18,452,403	7,122,839	25,575,242	23,748,562	50,734,557	74,483,118
11	Other cash inflows	24,612,790	143,342,116	167,954,907	1,089,900	-	1,089,900	1,089,900	-	1,089,900
12	TOTAL CASH INFLOWS	622,251,952	760,325,120	1,382,577,072	19,542,303	7,122,839	26,665,142	24,838,462	50,734,557	75,573,019
					Total value according to NBG's methodology* (with limits)			Total value according to Basel methodology (with limits)		
13	Total HQLA				162,167,050	196,681,210	358,848,260	156,972,349	195,522,198	352,494,547
14	Net cash outflow				160,087,037	125,657,845	285,744,882	111,990,139	32,483,281	144,473,420
15	Liquidity coverage ratio (%)				101.30%	156.52%	125.58%	140.17%	601.92%	243.99%

* 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: JSC "VTB Bank (Georgia)"
Date: 31/03/2019

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	136,988,688		8,316,148	0	0	0	0	0	8,316,148	0	0	8,316,148
1.1	Maturity less than 1 year	43,949,720	2.0%	878,994						878,994			878,994
1.2	Maturity from 1 year up to 2 years	223,488	5.0%	11,174						11,174			11,174
1.3	Maturity from 2 years up to 3 years	91,730,020	8.0%	7,338,402						7,338,402			7,338,402
1.4	Maturity from 3 years up to 4 years	796,160	11.0%	87,578						87,578			87,578
1.5	Maturity from 4 years up to 5 years	0		0						0			0
1.6	Maturity over 5 years	289,301		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
2.2	Maturity from 1 year up to 2 years		1.0%	0						0			0
2.3	Maturity from 2 years up to 3 years		2.0%	0						0			0
2.4	Maturity from 3 years up to 4 years		3.0%	0						0			0
2.5	Maturity from 4 years up to 5 years		4.0%	0						0			0
2.6	Maturity over 5 years			0						0			0
	Total	136,988,688		8,316,148	0	0	0	0	0	8,316,148	0	0	8,316,148

Bank: JSC "VTB Bank (Georgia)"

Date: 31/03/2019

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)	1,600,031,914
2	(Asset amounts deducted in determining Tier 1 capital)	(18,387,372)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	1,581,644,542
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	8,316,148
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)	8,316,148
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	143,139,376
18	(Adjustments for conversion to credit equivalent amounts)	(60,146,345)
19	Other off-balance sheet exposures (sum of lines 17 to 18)	82,993,031
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	203,686,407
21	Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	1,672,953,721
Leverage ratio		
22	Leverage ratio	12.1753%
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	