

Pillar 3 quarterly report		
1	Name of a bank	JSC CARTU BANK
2	Chairman of the Supervisory Board	Nikoloz Chkhetiani
3	CEO of a bank	Nato Khaindrava
4	Bank's web page	www.cartubank.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: JSC CARTU BANK

Date: 31/03/2019

Table 1 Key metrics

N		1Q 2019	4Q 2018	3Q 2018	2Q 2018	1Q 2018
	<b>Regulatory capital (amounts, GEL)</b>					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CE1)	205,002,460	220,763,712	213,601,018	225,887,221	221,513,688
2	Tier 1	205,002,460	220,763,712	213,601,018	225,887,221	221,513,688
3	Total regulatory capital	417,876,184	432,657,101	449,664,223	443,649,135	437,184,479
	<b>Risk-weighted assets (amounts, GEL)</b>					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	1,298,103,991	1,381,508,823	1,435,351,302	1,328,011,675	1,275,546,929
	<b>Capital ratios as a percentage of RWA</b>					
	<i>Based on Basel III framework</i>					
5	Common equity Tier 1 ratio >=9.39030450225985%	15.79%	15.98%	14.88%	17.01%	17.37%
6	Tier 1 ratio >=11.6940264194872%	15.79%	15.98%	14.88%	17.01%	17.37%
7	Total Regulatory Capital ratio >=20.7332885063617%	32.19%	31.32%	31.33%	33.41%	34.27%
	<b>Income</b>					
8	Total Interest Income / Average Annual Assets	7.44%	6.89%	6.79%	6.61%	6.43%
9	Total Interest Expense / Average Annual Assets	2.41%	2.58%	2.58%	2.55%	2.48%
10	Earnings from Operations / Average Annual Assets	2.93%	3.17%	3.41%	2.75%	2.77%
11	Net Interest Margin	5.03%	4.31%	4.21%	4.06%	3.95%
12	Return on Average Assets (ROAA)	1.49%	1.52%	1.23%	0.54%	-0.36%
13	Return on Average Equity (ROAE)	7.79%	7.77%	6.25%	2.71%	-1.78%
	<b>Asset Quality</b>					
14	Non Performed Loans / Total Loans	36.78%	35.91%	35.20%	35.90%	36.29%
15	LLR/Total Loans	14.30%	13.85%	13.90%	13.68%	13.60%
16	FX Loans/Total Loans	62.07%	61.75%	60.74%	62.81%	67.26%
17	FX Assets/Total Assets	62.78%	60.61%	62.38%	61.33%	63.66%
18	Loan Growth-YTD	-0.27%	2.89%	-0.53%	-2.01%	-1.94%
	<b>Liquidity</b>					
19	Liquid Assets/Total Assets	24.01%	25.46%	28.52%	22.33%	22.02%
20	FX Liabilities/Total Liabilities	91.54%	87.46%	84.51%	88.07%	88.23%
21	Current & Demand Deposits/Total Assets	29.70%	30.87%	32.45%	26.53%	28.70%
	<b>Liquidity Coverage Ratio***</b>					
22	Total HQLA	261,784,899	303,859,040	293,208,220	274,583,992	289,354,526
23	Net cash outflow	106,988,388	114,639,307	104,455,907	105,898,566	93,050,473
24	LCR ratio (%)	245%	265%	281%	259%	311%

\*\*\* 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 CARTU BANK

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**Balance Sheet**

Table 2

in Lari

N	Assets	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	8,565,462	7,985,953	16,551,415	9,554,907	9,844,420	19,399,327
2	Due from NBG	13,791,426	149,559,855	163,351,281	6,077,513	149,339,632	155,417,145
3	Due from Banks	5,774,065	70,394,821	76,168,886	41,103,936	41,700,151	82,804,087
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	14,735,854	0	14,735,854	26,247,919	0	26,247,919
6.1	Loans	318,975,202	522,010,627	840,985,829	263,096,541	540,553,358	803,649,899
6.2	Less: Loan Loss Reserves	-42,210,915	-78,073,285	-120,284,200	-38,186,086	-71,129,940	-109,316,026
6	Net Loans	276,764,287	443,937,342	720,701,629	224,910,455	469,423,418	694,333,873
7	Accrued Interest and Dividends Receivable	8,379,322	2,894,372	11,273,694	5,975,294	2,674,749	8,650,043
8	Other Real Estate Owned & Repossessed Assets	24,803,612	X	24,803,612	37,526,858	X	37,526,858
9	Equity Investments	4,883,540	0	4,883,540	2,883,540	0	2,883,540
10	Fixed Assets and Intangible Assets	18,142,922	X	18,142,922	20,142,829	X	20,142,829
11	Other Assets	24,921,758	1,268,037	26,189,795	10,768,367	1,662,097	12,430,464
12	<b>Total assets</b>	<b>400,762,248</b>	<b>676,040,380</b>	<b>1,076,802,628</b>	<b>385,191,618</b>	<b>674,644,467</b>	<b>1,059,836,085</b>
	<b>Liabilities</b>						
13	Due to Banks	51,608	14,909,699	14,961,307	53,178	13,379,971	13,433,149
14	Current (Accounts) Deposits	34,150,423	249,233,124	283,383,547	37,071,147	201,192,969	238,264,116
15	Demand Deposits	14,270,690	22,130,454	36,401,144	17,083,434	48,774,628	65,858,062
16	Time Deposits	13,855,062	288,056,816	301,911,878	39,408,567	232,604,853	272,013,420
17	Own Debt Securities			0			0
18	Borrowings	0	0	0	0	21,367,440	21,367,440
19	Accrued Interest and Dividends Payable	357,968	11,654,144	12,012,112	720,882	6,991,031	7,711,913
20	Other Liabilities	10,582,847	3,382,371	13,965,218	3,530,919	3,767,230	7,298,149
21	Subordinated Debentures	0	203,469,840	203,469,840	0	205,827,600	205,827,600
22	<b>Total liabilities</b>	<b>73,268,598</b>	<b>792,836,448</b>	<b>866,105,046</b>	<b>97,868,127</b>	<b>733,905,722</b>	<b>831,773,849</b>
	<b>Equity Capital</b>						
23	Common Stock	114,430,000	X	114,430,000	114,430,000	X	114,430,000
24	Preferred Stock	0	X	0	0	X	0
25	Less: Repurchased Shares	0	X	0	0	X	0
26	Share Premium	0	X	0	0	X	0
27	General Reserves	7,438,034	X	7,438,034	7,438,034	X	7,438,034
28	Retained Earnings	88,829,548	X	88,829,548	106,194,202	X	106,194,202
29	Asset Revaluation Reserves	0	X	0	0	X	0
30	<b>Total Equity Capital</b>	<b>210,697,582</b>	<b>0</b>	<b>210,697,582</b>	<b>228,062,236</b>	<b>0</b>	<b>228,062,236</b>
31	<b>Total liabilities and Equity Capital</b>	<b>283,966,180</b>	<b>792,836,448</b>	<b>1,076,802,628</b>	<b>325,930,363</b>	<b>733,905,722</b>	<b>1,059,836,085</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	841,443	357,357	1,198,800	984,786	379,033	1,363,819
2	Interest Income from Loans	6,051,232	10,250,461	16,301,693	4,472,227	11,720,478	16,192,705
2.1	from the Interbank Loans	-	-	-	8,114	-	8,114
2.2	from the Retail or Service Sector Loans	2,763,213	4,504,977	7,268,191	2,466,017	6,160,384	8,626,401
2.3	from the Energy Sector Loans	266	56,519	56,785	-	75,262	75,262
2.4	from the Agriculture and Forestry Sector Loans	455,994	1,216,565	1,674,558	474,707	913,825	1,388,532
2.5	from the Construction Sector Loans	930,115	1,119,151	2,049,267	409,018	677,313	1,086,331
2.6	from the Mining and Mineral Processing Sector Loans	1,095,581	892,443	1,988,024	737,108	1,516,197	2,253,305
2.7	from the Transportation or Communications Sector Loans	2,717	666,431	669,148	2,055	140,183	142,238
2.8	from Individuals Loans	85,820	811,243	897,063	257,642	983,617	1,241,259
2.9	from Other Sectors Loans	717,526	981,131	1,698,657	117,567	1,253,697	1,371,264
3	Fees/penalties income from loans to customers	772,469	2,159,239	2,931,708	91,662	261,978	353,640
4	Interest and Discount Income from Securities	274,997	-	274,997	477,346	-	477,346
5	Other Interest Income	-	20,656	20,656	-	11,011	11,011
6	<b>Total Interest Income</b>	<b>7,940,141</b>	<b>12,787,713</b>	<b>20,727,854</b>	<b>6,026,021</b>	<b>12,372,500</b>	<b>18,398,521</b>
	<b>Interest Expense</b>						
7	Interest Paid on Demand Deposits	635,290	70,121	705,411	416,468	181,147	597,615
8	Interest Paid on Time Deposits	236,963	3,352,920	3,589,883	729,253	2,963,271	3,692,524
9	Interest Paid on Banks Deposits	12,171	176,696	188,867	1,750	155,339	157,089
10	Interest Paid on Own Debt Securities	-	-	-	-	-	-
11	Interest Paid on Other Borrowings	-	2,238,065	2,238,065	-	2,652,831	2,652,831
12	Other Interest Expenses	-	-	-	-	-	-
13	<b>Total Interest Expense</b>	<b>884,424</b>	<b>5,837,802</b>	<b>6,722,226</b>	<b>1,147,471</b>	<b>5,952,588</b>	<b>7,100,059</b>
14	<b>Net Interest Income</b>	<b>7,055,717</b>	<b>6,949,911</b>	<b>14,005,628</b>	<b>4,878,550</b>	<b>6,419,912</b>	<b>11,298,462</b>
	<b>Non-Interest Income</b>						
15	Net Fee and Commission Income	148,342	(1,307,531)	(1,159,189)	138,697	(1,066,537)	(927,840)
15.1	Fee and Commission Income	762,471	410,991	1,173,462	680,589	378,912	1,059,501
15.2	Fee and Commission Expense	614,129	1,718,522	2,332,651	541,892	1,445,449	1,987,341
16	Dividend Income	-	-	-	114,228	-	114,228
17	Gain (Loss) from Dealing Securities	-	-	-	-	-	-
18	Gain (Loss) from Investment Securities	40,080	-	40,080	-	-	-
19	Gain (Loss) from Foreign Exchange Trading	959,591	-	959,591	1,524,614	-	1,524,614
20	Gain (Loss) from Foreign Exchange Translation	249,457	-	249,457	(13,934,697)	-	(13,934,697)
21	Gain (Loss) on Sales of Fixed Assets	36,642	-	36,642	449	-	449
22	Non-Interest Income from other Banking Operations	351,746	292,749	644,495	454,329	289,782	744,111
23	Other Non-Interest Income	14,463	5,505	19,968	305,771	1,277	307,048
24	<b>Total Non-Interest Income</b>	<b>1,800,321</b>	<b>(1,009,277)</b>	<b>791,044</b>	<b>(11,396,609)</b>	<b>(775,478)</b>	<b>(12,172,087)</b>
	<b>Non-Interest Expenses</b>						
25	Non-Interest Expenses from other Banking Operations	226,622	55,484	282,106	527,247	43,405	570,652
26	Bank Development, Consultation and Marketing Expenses	280,244	30,279	310,523	251,513	12,179	263,692
27	Personnel Expenses	3,068,866	-	3,068,866	2,348,855	-	2,348,855
28	Operating Costs of Fixed Assets	23,144	-	23,144	12,669	-	12,669
29	Depreciation Expense	997,832	-	997,832	685,774	-	685,774
30	Other Non-Interest Expenses	1,462,592	152,764	1,615,356	1,092,683	149,268	1,241,951
31	<b>Total Non-Interest Expenses</b>	<b>6,059,300</b>	<b>238,527</b>	<b>6,297,827</b>	<b>4,918,741</b>	<b>204,852</b>	<b>5,123,593</b>
32	<b>Net Non-Interest Income</b>	<b>(4,258,979)</b>	<b>(1,247,804)</b>	<b>(5,506,783)</b>	<b>(16,315,350)</b>	<b>(980,330)</b>	<b>(17,295,680)</b>
33	<b>Net Income before Provisions</b>	<b>2,796,738</b>	<b>5,702,107</b>	<b>8,498,845</b>	<b>(11,436,800)</b>	<b>5,439,582</b>	<b>(5,997,218)</b>
34	Loan Loss Reserve	3,480,321	-	3,480,321	(6,043,567)	-	(6,043,567)
35	Provision for Possible Losses on Investments and Securities	-	-	-	-	-	-
36	Provision for Possible Losses on Other Assets	207,745	-	207,745	1,113,724	-	1,113,724
37	<b>Total Provisions for Possible Losses</b>	<b>3,688,066</b>	<b>-</b>	<b>3,688,066</b>	<b>(4,929,843)</b>	<b>-</b>	<b>(4,929,843)</b>
38	<b>Net Income before Taxes and Extraordinary Items</b>	<b>(891,328)</b>	<b>5,702,107</b>	<b>4,810,779</b>	<b>(6,506,957)</b>	<b>5,439,582</b>	<b>(1,067,375)</b>
39	Taxation	672,906	-	672,906	(50,697)	-	(50,697)
40	<b>Net Income after Taxation</b>	<b>(1,564,234)</b>	<b>5,702,107</b>	<b>4,137,873</b>	<b>(6,456,260)</b>	<b>5,439,582</b>	<b>(1,016,678)</b>
41	Extraordinary Items	-	-	-	-	-	-
42	<b>Net Income</b>	<b>(1,564,234)</b>	<b>5,702,107</b>	<b>4,137,873</b>	<b>(6,456,260)</b>	<b>5,439,582</b>	<b>(1,016,678)</b>

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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>			0			0
1.1	Guarantees Issued	22,840,402	29,402,890	52,243,292	24,576,670	26,260,069	50,836,739
1.2	Letters of credit Issued		5,946,747	5,946,747		7,976,475	7,976,475
1.3	Undrawn loan commitments	9,514,095	20,068,687	29,582,782	11,403,420	14,755,471	26,158,891
1.4	Other Contingent Liabilities	8,959	0	8,959	12,953	0	12,953
2	<b>Guarantees received as security for liabilities of the bank</b>			0			0
3	<b>Assets pledged as security for liabilities of the bank</b>			0			0
3.1	Financial assets of the bank			0			0
3.2	Non-financial assets of the bank			0			0
4	<b>Guarantees received as security for receivables of the bank</b>			0			0
4.1	Surety, joint liability	4,376,497	10,708,967	15,085,464	4,325,808	13,198,030	17,523,838
4.2	Guarantees	144,729,287	295,207,483	439,936,771	131,881,899	304,991,942	436,873,840
5	<b>Assets pledged as security for receivables of the bank</b>			0			0
5.1	Cash	786,277	15,988,497	16,774,774	292,667	12,127,499	12,420,166
5.2	Precious metals and stones	0	0	0	0	0	0
5.3	Real Estate:	20,609,843	1,774,470,635	1,795,080,478	13,837,153	1,811,652,653	1,825,489,805
5.3.1	Residential Property	223,386	158,354,286	158,577,673	200,395	163,893,886	164,094,281
5.3.2	Commercial Property	5,795,032	819,750,970	825,546,002	5,721,147	781,341,015	787,062,162
5.3.3	Complex Real Estate	0	255,811,251	255,811,251	0	312,801,590	312,801,590
5.3.4	Land Parcel	14,591,425	453,505,906	468,097,331	7,915,610	499,536,016	507,451,626
5.3.5	Other	0	87,048,222	87,048,222	0	54,080,146	54,080,146
5.4	Movable Property	224,175,347	227,816,331	451,991,678	212,913,022	292,198,707	505,111,729
5.5	Shares Pledged	17,358,201	137,374,444	154,732,645	17,358,201	108,599,712	125,957,913
5.6	Securities	3,500,000	6,162,757	9,662,757	3,500,000	5,528,483	9,028,483
5.7	Other	3,678,441	121,195,486	124,873,927	382,640	122,691,425	123,074,065
6	<b>Derivatives</b>			0			0
6.1	Receivables through FX contracts (except options)			0			0
6.2	Payables through FX contracts (except options)			0			0
6.3	Principal of interest rate contracts (except options)			0			0
6.4	Options sold			0			0
6.5	Options purchased			0			0
6.6	Nominal value of potential receivables through other derivatives			0			0
6.7	Nominal value of potential payables through other derivatives			0			0
7	<b>Receivables not recognized on-balance</b>			0			0
7.1	Principal of receivables derecognized during last 3 month	58,454	0	58,454	2,000	141,715	143,715
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	3,306,319	7,555,548	10,861,867	3,458,064	6,167,475	9,625,539
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	10,449,113	6,616,965	17,066,078	10,345,808	12,867,098	23,212,906
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	57,172,673	120,933,123	178,105,795	47,147,783	116,663,342	163,811,125
8	<b>Non-cancelable operating lease</b>	4,033,525	0	4,033,525			0
8.1	Through indefint term agreement	57,381	0	57,381			0
8.2	Within one year	1,993,876	0	1,993,876			0
8.3	From 1 to 2 years	1,827,101	0	1,827,101			0
8.4	From 2 to 3 years	155,167	0	155,167			0
8.5	From 3 to 4 years	0	0	0			0
8.6	From 4 to 5 years	0	0	0			0
8.7	More than 5 years	0	0	0			0
9	<b>Capital expenditure commitment</b>			0			0

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Table 5 **Risk Weighted Assets** *in Lari*

N		1Q 2019	4Q 2018
1	Risk Weighted Assets for Credit Risk	1,142,049,672	1,184,143,251
1.1	Balance sheet items	1,079,883,369	1,107,171,422
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	25,472,713	25,472,713
1.2	Off-balance sheet items	62,166,303	76,971,829
1.3	Counterparty credit risk	0	0
2	Risk Weighted Assets for Market Risk	1,830,122	43,141,376
3	Risk Weighted Assets for Operational Risk	154,224,197	154,224,197
4	<b>Total Risk Weighted Assets</b>	<b>1,298,103,991</b>	<b>1,381,508,823</b>

Bank: JSC CARTU BANK

Date: 31/03/2019

Table 6

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

<b>Members of Supervisory Board</b>	
1	Nikoloz Chkhetiani
2	Eter Deminashvili
3	Besik Demetrashvili
4	Temur Kobakhidze
5	Giorgi Pertaia
6	
7	
8	
9	
10	
<b>Members of Board of Directors</b>	
1	Nato Khaindrava
2	Givi Lebanidze
3	David Galuashvili
4	Zurab Gogua
5	Beka Kvaratskhelia
6	
7	
8	
9	
10	
<b>List of Shareholders owning 1% and more of issued capital, indicating Shares</b>	
1	Jsc "Cartu Group" 100%
<b>List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares</b>	
1	Uta Ivanishvili 100%

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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	16,551,415		16,551,415
2	Due from NBG	163,351,281		163,351,281
3	Due from Banks	76,168,886		76,168,886
4	Dealing Securities	0		0
5	Investment Securities	14,735,854		14,735,854
6.1	Loans	840,985,829		840,985,829
6.2	Less: Loan Loss Reserves	-120,284,200		-120,284,200
6	Net Loans	720,701,629		720,701,629
7	Accrued Interest and Dividends Receivable	11,273,694		11,273,694
8	Other Real Estate Owned & Repossessed Assets	24,803,612		24,803,612
9	Equity Investments	4,883,540		4,883,540
10	Fixed Assets and Intangible Assets	18,142,922	5,095,122	13,047,800
11	Other Assets	26,189,795		26,189,795
	<b>Total exposures subject to credit risk weighting before adjustments</b>	<b>1,076,802,628</b>	<b>5,095,122</b>	<b>1,071,707,506</b>



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**Differences between carrying values per standardized balance sheet used for regulatory reporting purposes and the exposure amounts used for capital adequacy calculation purposes**

Table 8 *in Lari*

1	<b>Total carrying value of balance sheet items subject to credit risk weighting before adjustments</b>	1,071,707,506
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	85,923,999
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	0
3	<b>Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes</b>	1,157,631,505
4	Effect of provisioning rules used for capital adequacy purposes	7,979,752
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-14,791,391
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	0
6	Effect of other adjustments	
7	<b>Total exposures subject to credit risk weighting</b>	1,150,819,866

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Table 9 Regulatory capital

N		in Lari
1	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	210,097,582
2	Common shares that comply with the criteria for Common Equity Tier 1	114,430,000
3	Stock surplus (share premium) of common share that meets the criteria of Common Equity Tier 1	
4	Accumulated other comprehensive income	
5	Other disclosed reserves	6,838,034
6	Retained earnings (loss)	88,829,548
7	<b>Regulatory Adjustments of Common Equity Tier 1 capital</b>	5,095,122
8	Revaluation reserves on assets	
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	5,095,122
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	<b>Holdings of equity and other participations constituting more than 10% of the share capital of other commercial entities</b>	
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>	205,002,460
24	<b>Additional tier 1 capital before regulatory adjustments</b>	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	
27	Including: instruments classified as liabilities under the relevant accounting standards	
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>	0
36	<b>Tier 2 capital before regulatory adjustments</b>	212,873,724
37	Instruments that comply with the criteria for Tier 2 capital	204,069,840
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	8,803,884
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>	212,873,724

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Table 9.1 **Capital Adequacy Requirements**

Minimum Requirements		Ratios	Amounts (GEL)
<b>1</b>	<b>Pillar 1 Requirements</b>		
1.1	Minimum CET1 Requirement	4.50%	58,414,680
1.2	Minimum Tier 1 Requirement	6.00%	77,886,239
1.3	Minimum Regulatory Capital Requirement	8.00%	103,848,319
<b>2</b>	<b>Combined Buffer</b>		
2.1	Capital Conservation Buffer	2.50%	32,452,600
2.2	Countercyclical Buffer	0.00%	-
2.3	Systemic Risk Buffer		-
<b>3</b>	<b>Pillar 2 Requirements</b>		
3.1	CET1 Pillar 2 Requirement	2.39%	31,028,638
3.2	Tier 1 Pillar2 Requirement	3.19%	41,461,784
3.3	Regulatory capital Pillar 2 Requirement	10.23%	132,838,726
<b>Total Requirements</b>		<b>Ratios</b>	<b>Amounts (GEL)</b>
<b>4</b>	CET1	9.39%	121,895,917
<b>5</b>	Tier 1	11.69%	151,800,624
<b>6</b>	Total regulatory Capital	20.73%	269,139,646

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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	16,551,415	
2	Due from NBG	163,351,281	
3	Due from Banks	76,168,886	
4	Dealing Securities	0	
5	Investment Securities	14,735,854	
6.1	Loans	840,985,829	
6.2	Less: Loan Loss Reserves	-120,284,200	
6.2.1	Of which common reserves	-7,975,949	Table 9 (Capital), N39
6	Net Loans	720,701,629	
7	Accrued Interest and Dividends Receivable	11,273,694	
8	Other Real Estate Owned & Repossessed Assets	24,803,612	
9	Equity Investments	4,883,540	
9.1	Of which significant investments subject to limited recognition	9,372,300	
9.2	Significant Investments Reserves	-4,544,620	
9.3	Of which below 10% equity holdings subject to limited recognition	57,000	
9.4	Investments Reserves	-1,140	Table 9 (Capital), N39
10	Fixed Assets and Intangible Assets	18,142,922	
10.1	Of which intangible assets	5,095,122	table 9 (Capital), N10
11	Other Assets	26,240,250	
	Of which common reserves	-2,663	Table 9 (Capital), N39
	Significant Reserves	-47,792	
	Net Other Assets	26,189,795	
12	<b>Total assets</b>	<b>1,076,802,628</b>	
13	Due to Banks	14,961,307	
14	Current (Accounts) Deposits	283,383,547	
15	Demand Deposits	36,401,144	
16	Time Deposits	301,911,878	
17	Own Debt Securities	0	
18	Borrowings	0	
19	Accrued Interest and Dividends Payable	12,012,112	
20	Other Liabilities	13,965,218	
20.1	Of which offbalance liabilities reserves	824,132	Table 9 (Capital), N39
21	Subordinated Debentures	203,469,840	
21.1	Of which tier II capital qualifying instruments	203,469,840	Table 9 (Capital), N37
22	<b>Total liabilities</b>	<b>866,105,046</b>	
23	Common Stock	114,430,000	Table 9 (Capital), N2
24	Preferred Stock	0	
25	Less: Repurchased Shares	0	
26	Share Premium	0	
27	General Reserves	7,438,034	
27.1	Of which Regulatory Reserves	6,838,034	Table 9 (Capital), N4
27.2	Of which Special Funds	600,000	Table 9 (Capital), N37
28	Retained Earnings	88,829,548	Table 9 (Capital), N6
29	Asset Revaluation Reserves	0	
30	<b>Total Equity Capital</b>	<b>210,697,582</b>	

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Credit Risk Weighted Exposures		Table 11 (On-balance items and off-balance items after credit conversion factor)																Risk Weighted Exposures Before Credit Risk Mitigation
Exposure class	Risk weight	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			
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Claims or contingent claims on central governments or central banks	28,531,198										149,559,855						149,559,855
2	Claims or contingent claims on regional governments or local authorities											0						-
3	Claims or contingent claims on public sector entities											0						-
4	Claims or contingent claims on multilateral development banks											0						-
5	Claims or contingent claims on international organizations/institutions											0						-
6	Claims or contingent claims on commercial banks	0		48,548,004				27,545,534				130,112		0				23,812,480
7	Claims or contingent claims on corporates											558,707,813	69,946,969			0	0	628,654,781
8	Retail claims or contingent retail claims																	-
9	Claims or contingent claims secured by mortgages on residential property																	-
10	Past due items											81,732,225	27,363	0		43,777,428		131,203,160
11	Items belonging to regulatory high-risk categories											0						-
12	Short-term claims on commercial banks and corporates											0						-
13	Claims in the form of collective investment undertakings (CIU)																	-
14	Other items	23,375,171		0			0	0				87,457,832	1,158,276	0		30,322,081		164,421,311
	<b>Total</b>	<b>51,906,369</b>	<b>0</b>	<b>48,548,004</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27,545,534</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>87,707,832</b>	<b>71,132,608</b>	<b>0</b>	<b>0</b>	<b>74,099,510</b>	<b>0</b>	<b>1,157,461,587</b>



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Table 13 Standardized approach - Effect of credit risk mitigation

	a	b		c	d	e	f
		On-balance sheet exposures	Off-balance sheet exposures				
Asset Classes		Off-balance sheet exposures - Nominal value	Off-balance sheet exposures post CCF		RWA before Credit Risk Mitigation	RWA post Credit Risk Mitigation	RWA Density $f=e/(a+c)$
1	Claims or contingent claims on central governments or central banks	178,091,053			149,559,855	149,559,855	84%
2	Claims or contingent claims on regional governments or local authorities	0			0	0	0%
3	Claims or contingent claims on public sector entities	0			0	0	0%
4	Claims or contingent claims on multilateral development banks	0			0	0	0%
5	Claims or contingent claims on international organizations/institutions	0			0	0	0%
6	Claims or contingent claims on commercial banks	76,223,650			23,612,480	23,612,480	31%
7	Claims or contingent claims on corporates	558,707,813	83,552,720	69,946,968	628,654,781	615,791,834	98%
8	Retail claims or contingent retail claims	0		0	0	0	0%
9	Claims or contingent claims secured by mortgages on residential property	0		0	0	0	0%
10	Past due items	125,509,653	54,727	27,363	191,203,160	191,203,160	152%
11	Items belonging to regulatory high-risk categories	0		0	0	0	0%
12	Short-term claims on commercial banks and corporates	0		0	0	0	0%
13	Claims in the form of collective investment undertakings ('CIU')	0		0	0	0	0%
14	Other items	141,155,085	2,316,552	1,158,276	164,421,311	161,882,343	114%
	<b>Total</b>	<b>1,079,687,254</b>	<b>85,923,999</b>	<b>71,132,608</b>	<b>1,157,451,587</b>	<b>1,142,049,672</b>	<b>99%</b>

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Table 11 Liquidity Coverage Ratio										
Total unweighted value (daily average)			Total weighted values according to NBS'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			70,280,945	191,503,953	261,784,899	36,341,246	152,578,857	188,920,102	
<b>Cash outflows</b>										
2	Retail deposits	13,758,104	167,598,477	181,356,581	2,672,405	15,657,181	18,329,586	596,455	2,034,449	2,630,924
3	Unsecured wholesale funding	78,538,621	625,541,509	702,080,130	33,481,824	36,718,032	70,199,857	23,276,627	22,004,593	45,281,220
4	Secured wholesale funding	-	-	-	-	-	-	-	-	-
5	Outflows related to off balance sheet obligations and net short position of derivative exposures	37,695,554	60,862,668	98,558,223	7,129,782	11,906,868	19,036,650	2,559,896	4,191,134	6,751,030
6	Other contractual funding obligations	-	-	-	-	-	-	-	-	-
7	Other contingent funding obligations	7,591,476	13,945,679	21,537,155	2,295,296	2,747,600	5,042,895	2,295,296	2,747,600	5,042,895
8	<b>TOTAL CASH OUTFLOWS</b>	<b>137,983,755</b>	<b>865,948,334</b>	<b>1,003,932,089</b>	<b>45,579,307</b>	<b>67,629,681</b>	<b>112,608,988</b>	<b>28,728,272</b>	<b>30,977,795</b>	<b>59,706,069</b>
<b>Cash inflows</b>										
9	Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	209,705,676	326,037,351	535,743,027	3,036,249	2,584,351	5,620,600	37,043,799	88,886,758	125,930,556
11	Other cash inflows	14,181,832	1,605,898	15,787,731	-	-	-	-	-	-
12	<b>TOTAL CASH INFLOWS</b>	<b>223,887,508</b>	<b>327,643,250</b>	<b>551,530,758</b>	<b>3,036,249</b>	<b>2,584,351</b>	<b>5,620,600</b>	<b>37,043,799</b>	<b>88,886,758</b>	<b>125,930,556</b>
				Total value according to NBS's methodology* (with limits)			Total value according to Basel methodology (with limits)			
13	Total HQLA			70,280,945	191,503,953	261,784,899	36,341,246	152,578,857	188,920,102	
14	Net cash outflow			42,343,058	64,445,330	106,988,988	7,182,068	7,744,449	14,926,517	
15	Liquidity coverage ratio (%)			165.20%	297.16%	244.69%	506.00%	1970.17%	1265.67%	

\* 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 illustratory purposes.





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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)	1,084,782,375
2	(Asset amounts deducted in determining Tier 1 capital)	(5,095,122)
3	<b>Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)</b>	1,079,687,253
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	
5	Add-on amounts for PFE associated with all derivatives transactions (mark-to-market method)	
EU-5a	Exposure determined under Original Exposure Method	
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	<b>Total derivative exposures (sum of lines 4 to 10)</b>	-
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	<b>Total securities financing transaction exposures (sum of lines 12 to 15a)</b>	-
Other off-balance sheet exposures		
17	Off-balance sheet exposures at gross notional amount	85,923,999
18	(Adjustments for conversion to credit equivalent amounts)	(14,791,391)
19	<b>Other off-balance sheet exposures (sum of lines 17 to 18)</b>	71,132,608
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	<b>Tier 1 capital</b>	205,002,460
21	<b>Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)</b>	1,150,819,860
Leverage ratio		
22	<b>Leverage ratio</b>	17.81%
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	