

	Pillar 3 quarterly report	
1	Name of a bank	JSC "BasisBank"
2	Chairman of the Supervisory Board	Zhang Jun
3	CEO of a bank	David Tsaava
4	Bank's web page	www.basisbank.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: BasisBank  
Date:

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Table 1 Key metrics

N		Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
	<b>Regulatory capital (amounts, GEL)</b>					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CET1)	207,916,638	196,327,318	188,528,761	182,766,871	175,637,524
2	Tier 1	207,916,638	196,327,318	188,528,761	182,766,871	175,637,524
3	Total regulatory capital	221,980,554	209,132,513	199,865,410	193,384,594	187,027,072
	<b>Risk-weighted assets (amounts, GEL)</b>					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	1,215,027,401	1,113,866,215	997,805,918	941,793,246	980,272,025
	<b>Capital ratios as a percentage of RWA</b>					
	<i>Based on Basel III framework</i>					
5	Common equity Tier 1 ratio >=8.92633107630048%	17.11%	17.63%	18.89%	19.41%	17.92%
6	Tier 1 ratio >=11.0764594697969%	17.11%	17.63%	18.89%	19.41%	17.92%
7	Total Regulatory Capital ratio >=16.7674186970398%	18.27%	18.78%	20.03%	20.53%	19.08%
	<b>Income</b>					
8	Total Interest Income / Average Annual Assets	7.84%	7.81%	7.70%	7.57%	7.49%
9	Total Interest Expense / Average Annual Assets	3.51%	3.44%	3.32%	3.21%	3.20%
10	Earnings from Operations / Average Annual Assets	3.15%	3.39%	3.43%	3.33%	3.33%
11	Net Interest Margin	4.33%	4.37%	4.38%	4.36%	4.29%
12	Return on Average Assets (ROAA)	2.87%	2.62%	2.73%	2.49%	1.91%
13	Return on Average Equity (ROAE)	17.64%	15.97%	16.55%	15.17%	11.04%
	<b>Asset Quality</b>					
14	Non Performed Loans / Total Loans	3.76%	4.36%	4.36%	4.42%	4.02%
15	LLR/Total Loans	3.76%	4.20%	4.42%	4.45%	4.26%
16	FX Loans/Total Loans	63.05%	65.69%	63.93%	67.93%	70.24%
17	FX Assets/Total Assets	57.23%	57.52%	58.20%	59.84%	63.64%
18	Loan Growth-YTD	16.27%	12.09%	-0.09%	-2.71%	42.20%
	<b>Liquidity</b>					
19	Liquid Assets/Total Assets	30.38%	22.22%	28.99%	27.26%	33.06%
20	FX Liabilities/Total Liabilities	69.73%	70.48%	72.67%	74.88%	77.70%
21	Current & Demand Deposits/Total Assets	26.60%	19.30%	20.94%	20.48%	31.95%
	<b>Liquidity Coverage Ratio***</b>					
22	Total HQLA	385,346,441	272,594,786	307,246,027	284,074,433	364,002,821
23	Net cash outflow	225,044,412	201,578,255	240,418,527	211,179,841	256,930,199
24	LCR ratio (%)	171.23%	135.23%	127.80%	134.52%	141.67%

\*\*\* 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 "BasisBank"

Date:

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Table 2

## Balance Sheet

in Lari

N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	15,916,984	16,965,491	32,882,475	13,466,564	17,981,244	31,447,808
2	Due from NBG	31,775,104	170,451,123	202,226,227	15,049,682	143,643,443	158,693,125
3	Due from Banks	1,206,959	65,809,613	67,016,572	404,977	81,304,581	81,709,557
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	172,524,654	0	172,524,654	141,586,514	0	141,586,514
6.1	Loans	337,892,802	576,665,727	914,558,530	234,050,730	552,533,534	786,584,264
6.2	Less: Loan Loss Reserves	-9,500,796	-24,906,874	-34,407,670	-6,292,262	-27,194,909	-33,487,171
6	Net Loans	328,392,006	551,758,853	880,150,859	227,758,468	525,338,625	753,097,093
7	Accrued Interest and Dividends Receivable	5,529,699	2,716,440	8,246,139	3,884,787	2,651,704	6,536,491
8	Other Real Estate Owned & Repossessed Assets	8,909,285	0	8,909,285	5,440,010	0	5,440,010
9	Equity Investments	6,362,705	0	6,362,705	4,362,705	0	4,362,705
10	Fixed Assets and Intangible Assets	28,000,237	0	28,000,237	23,148,756	0	23,148,756
11	Other Assets	5,176,289	187,023	5,363,312	5,598,429	428,193	6,026,622
12	<b>Total assets</b>	<b>603,793,921</b>	<b>807,888,544</b>	<b>1,411,682,465</b>	<b>440,700,891</b>	<b>771,347,789</b>	<b>1,212,048,680</b>
	<b>Liabilities</b>						
13	Due to Banks	1,144	50,146,300	50,147,444	14,001,144	15,954,620	29,955,765
14	Current (Accounts) Deposits	127,428,299	106,485,263	233,913,562	79,713,776	112,187,911	191,901,688
15	Demand Deposits	45,960,314	95,602,874	141,563,188	51,426,159	143,933,723	195,359,883
16	Time Deposits	100,858,304	252,425,425	353,283,728	41,506,104	251,124,480	292,630,584
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	76,655,000	316,251,743	392,906,743	30,009,415	267,537,009	297,546,424
19	Accrued Interest and Dividends Payable	1,206,404	7,997,093	9,203,497	680,361	6,845,784	7,526,145
20	Other Liabilities	8,923,496	2,807,425	11,730,921	11,648,164	379,781	12,027,945
21	Subordinated Debentures	0	0	0	0	0	0
22	<b>Total liabilities</b>	<b>361,032,961</b>	<b>831,716,123</b>	<b>1,192,749,084</b>	<b>228,985,125</b>	<b>797,963,309</b>	<b>1,026,948,433</b>
	<b>Equity Capital</b>						
23	Common Stock	16,137,647	0	16,137,647	16,096,897	0	16,096,897
24	Preferred Stock	0	0	0	0	0	0
25	Less: Repurchased Shares	0	0	0	0	0	0
26	Share Premium	75,783,643	0	75,783,643	75,284,048	0	75,284,048
27	General Reserves	82,128,716	0	82,128,716	65,529,805	0	65,529,805
28	Retained Earnings	35,230,140	0	35,230,140	19,587,842	0	19,587,842
29	Asset Revaluation Reserves	9,653,235	0	9,653,235	8,601,655	0	8,601,655
30	<b>Total Equity Capital</b>	<b>218,933,381</b>	<b>0</b>	<b>218,933,381</b>	<b>185,100,247</b>	<b>0</b>	<b>185,100,247</b>
31	<b>Total liabilities and Equity Capital</b>	<b>579,966,341</b>	<b>831,716,123</b>	<b>1,411,682,465</b>	<b>414,085,371</b>	<b>797,963,309</b>	<b>1,212,048,680</b>

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	730,615	999,771	1,730,385	580,254	685,713	1,265,966
2	Interest Income from Loans	31,870,403	44,921,560	76,791,963	20,886,423	41,439,505	62,325,928
2.1	from the Interbank Loans	204,310		204,310	323,222		323,222
2.2	from the Retail or Service Sector Loans	4,683,742	19,389,913	24,073,655	4,129,872	16,936,433	21,066,305
2.3	from the Energy Sector Loans	864,978	298,348	1,163,326	747,826	188,837	936,662
2.4	from the Agriculture and Forestry Sector Loans	1,039,299	628,172	1,667,471	594,764	841,589	1,436,353
2.5	from the Construction Sector Loans	1,425,630	4,145,458	5,571,089	622,991	4,621,649	5,244,640
2.6	from the Mining and Mineral Processing Sector Loans	1,318,471	822,144	2,140,615	959,151	941,769	1,900,920
2.7	from the Transportation or Communications Sector Loans	31,556	1,084,605	1,116,160	7,543	64,006	71,549
2.8	from Individuals Loans	17,557,846	13,060,260	30,618,105	9,428,475	12,823,908	22,252,383
2.9	from Other Sectors Loans	4,744,571	5,492,659	10,237,230	4,072,580	5,021,314	9,093,894
3	Fees/penalties income from loans to customers	1,269,723	2,508,758	3,778,481	453,061	1,313,569	1,766,630
4	Interest and Discount Income from Securities	12,370,757		12,370,757	10,534,509		10,534,509
5	Other Interest Income	1,457,885	231,976	1,689,861	917,375	192,595	1,109,970
6	<b>Total Interest Income</b>	47,699,382	48,662,065	96,361,447	33,371,622	43,631,381	77,003,003
	<b>Interest Expense</b>						
7	Interest Paid on Demand Deposits	5,358,296	1,642,228	7,000,524	4,864,680	2,103,969	6,968,649
8	Interest Paid on Time Deposits	5,233,051	9,881,557	15,114,608	2,193,981	10,947,471	13,141,452
9	Interest Paid on Banks Deposits	1,192,091	494,279	1,686,369	609,086	293,218	902,304
10	Interest Paid on Own Debt Securities	129,136		129,136	157,880		157,880
11	Interest Paid on Other Borrowings	4,666,953	14,549,845	19,216,798	2,800,282	8,923,316	11,723,598
12	Other Interest Expenses			0			0
13	<b>Total Interest Expense</b>	16,579,526	26,567,909	43,147,435	10,625,909	22,267,974	32,893,884
14	<b>Net Interest Income</b>	31,119,856	22,094,156	53,214,012	22,745,712	21,363,407	44,109,119
	<b>Non-Interest Income</b>						
15	Net Fee and Commission Income	4,282,769	572,621	4,855,390	2,384,052	161,329	2,545,381
15.1	Fee and Commission Income	5,822,545	4,363,301	10,185,846	3,792,070	3,029,724	6,821,794
15.2	Fee and Commission Expense	1,539,776	3,790,680	5,330,455	1,408,019	2,868,394	4,276,413
16	Dividend Income			0			0
17	Gain (Loss) from Dealing Securities			0			0
18	Gain (Loss) from Investment Securities			0			0
19	Gain (Loss) from Foreign Exchange Trading	4,467,242		4,467,242	4,114,317		4,114,317
20	Gain (Loss) from Foreign Exchange Translation	-282,955		-282,955	-400,581		-400,581
21	Gain (Loss) on Sales of Fixed Assets	2,856,723		2,856,723	517,440		517,440
22	Non-Interest Income from other Banking Operations	181,221	13,887	195,109	182,113	6,240	188,352
23	Other Non-Interest Income	176,200	230,829	407,029	476,315	698,288	1,174,603
24	<b>Total Non-Interest Income</b>	11,681,201	817,338	12,498,538	7,273,656	865,857	8,139,513
	<b>Non-Interest Expenses</b>						
25	Non-Interest Expenses from other Banking Operations	1,149,290	26,642	1,175,933	1,113,472	14,611	1,128,083
26	Bank Development, Consultation and Marketing Expenses	2,773,420	77,946	2,851,365	1,908,141	136,079	2,044,220
27	Personnel Expenses	14,914,710		14,914,710	11,075,635		11,075,635
28	Operating Costs of Fixed Assets	81,162		81,162	89,164		89,164
29	Depreciation Expense	1,709,041		1,709,041	1,353,756		1,353,756
30	Other Non-Interest Expenses	3,685,175	36,043	3,721,218	2,277,752	22,511	2,300,263
31	<b>Total Non-Interest Expenses</b>	24,312,797	140,630	24,453,428	17,817,920	173,201	17,991,121
32	<b>Net Non-Interest Income</b>	-12,631,597	676,707	-11,954,889	-10,544,264	692,656	-9,851,608
33	<b>Net Income before Provisions</b>	18,488,260	22,770,863	41,259,123	12,201,448	22,056,063	34,257,511
34	Loan Loss Reserve	1,282,221		1,282,221	7,386,306		7,386,306
35	Provision for Possible Losses on Investments and Securities			0			0
36	Provision for Possible Losses on Other Assets	346,103		346,103	5,589,104		5,589,104
37	<b>Total Provisions for Possible Losses</b>	1,628,323	0	1,628,323	12,975,409	0	12,975,409
38	<b>Net Income before Taxes and Extraordinary Items</b>	16,859,936	22,770,863	39,630,799	-773,961	22,056,063	21,282,102
39	Taxation	4,397,544		4,397,544	1,693,489		1,693,489
40	<b>Net Income after Taxation</b>	12,462,392	22,770,863	35,233,255	-2,467,451	22,056,063	19,588,612
41	Extraordinary Items	-3,115		-3,115	-770		-770
42	<b>Net Income</b>	12,459,277	22,770,863	35,230,140	-2,468,221	22,056,063	19,587,842

Bank: JSC "BasisBank"

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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>	101,374,975	55,235,195	156,610,170	63,397,564	44,752,076	108,149,640
1.1	Guarantees Issued	68,894,157	9,871,797	78,765,955	42,695,262	14,904,401	57,599,662
1.2	Letters of credit Issued			-			-
1.3	Undrawn loan commitments	32,458,122	45,313,078	77,771,200	20,679,607	29,797,316	50,476,923
1.4	Other Contingent Liabilities	22,695	50,320	73,016	22,695	50,360	73,055
2	<b>Guarantees received as security for liabilities of the bank</b>	5,000,000	45,618,935	50,618,935	29,677,600	31,547,074	61,224,674
3	<b>Assets pledged as security for liabilities of the bank</b>			-			-
3.1	Financial assets of the bank			-			-
3.2	Non-financial assets of the bank			-			-
4	<b>Guarantees received as security for receivables of the bank</b>	41,941,146	440,115,252	482,056,398	150,175,514	3,312,256,283	3,462,431,797
4.1	Surety, joint liability	40,111,146	436,562,065	476,673,212	148,676,514	3,308,014,718	3,456,691,232
4.2	Guarantees	1,830,000	3,553,187	5,383,187	1,499,000	4,241,565	5,740,565
5	<b>Assets pledged as security for receivables of the bank</b>	65,216,589	1,678,653,151	1,743,869,740	83,154,537	1,946,956,891	2,030,111,429
5.1	Cash	20,917,687	114,208,833	135,126,519	9,147,692	153,675,711	162,823,403
5.2	Precious metals and stones	2,400,000	20,004,908	22,404,908	-	11,211,265	11,211,265
5.3	Real Estate:	863,151	1,221,682,342	1,222,545,493	24,302,957	1,311,809,579	1,336,112,536
5.3.1	Residential Property	607,563	809,013,903	809,621,466	23,841,350	587,972,972	611,814,322
5.3.2	Commercial Property	156,025	238,361,449	238,517,474	251,925	501,399,969	501,651,894
5.3.3	Complex Real Estate	-	7,327,267	7,327,267	-	20,323,247	20,323,247
5.3.4	Land Parcel	44,313	97,986,238	98,030,551	122,232	138,759,720	138,881,952
5.3.5	Other	55,250	68,993,484	69,048,734	87,450	63,353,670	63,441,120
5.4	Movable Property	20,112,173	148,566,686	168,678,859	28,615,112	155,940,670	184,555,782
5.5	Shares Pledged	-	-	-	-	19,068,936	19,068,936
5.6	Securities	9,423,000	77,687,566	87,110,566	12,970,000	275,499	13,245,499
5.7	Other	11,500,578	96,502,816	108,003,394	8,118,777	294,975,231	303,094,008
6	<b>Derivatives</b>			-			-
6.1	Receivables through FX contracts (except options)			-			-
6.2	Payables through FX contracts (except options)			-			-
6.3	Principal of interest rate contracts (except options)			-			-
6.4	Options sold			-			-
6.5	Options purchased			-			-
6.6	Nominal value of potential receivables through other derivatives			-			-
6.7	Nominal value of potential payables through other derivatives			-			-
7	<b>Receivables not recognized on-balance</b>			-			-
7.1	Principal of receivables derecognized during last 3 month	191,865	123,621	315,486	141,192	34,979	176,171
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	216,212	198,252	414,465	167,480	249,779	417,259
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	3,028,046	1,322,336	4,350,382	2,524,455	1,648,985	4,173,440
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	1,030,389	1,251,794	2,282,183	690,083	1,602,992	2,293,075
8	<b>Non-cancelable operating lease</b>	13,507	83,845	97,353			-
8.1	Through indefinit term agreement			-			-
8.2	Within one year	1,044	616	1,660			-
8.3	From 1 to 2 years	2,291	16,145	18,436			-
8.4	From 2 to 3 years	822	11,867	12,689			-
8.5	From 3 to 4 years			-			-
8.6	From 4 to 5 years	350		350			-
8.7	More than 5 years	9,000	55,218	64,218			-
9	<b>Capital expenditure commitment</b>			-			-

Bank: JSC "BasisBank"  
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Table 5

**Risk Weighted Assets**

*in Lari*

N		T	T-1
1	Risk Weighted Assets for Credit Risk	1,125,113,267	1,024,415,634
1.1	Balance sheet items	1,032,467,213	950,641,342
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	15,750,000	10,750,000
1.2	Off-balance sheet items	92,646,054	73,774,292
1.3	Counterparty credit risk	0	0
2	Risk Weighted Assets for Market Risk	1,719,284	1,255,731
3	Risk Weighted Assets for Operational Risk	100,986,935	88,194,850
4	<b>Total Risk Weighted Assets</b>	<b>1,227,819,486</b>	<b>1,113,866,215</b>

Bank: JSC "BasisBank"

Date:

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

Members of Supervisory Board		
1	Zaiqi Mi	
2	Zhang Jun	
3	Zhou Ning	
4	Zaza Robakidze	
5	Mia Mi	
Members of Board of Directors		
1	David Tsaava	
2	Lia Aslanikashvili	
3	David Kakabadze	
4	Levan Gardaphkhadze	
5	Li Hui	
List of Shareholders owning 1% and more of issued capital, indicating Shares		
1	Xinjiang HuaLing Industry & Trade (Group) Co LTD	91.85%
2	Zaiqi Mi	6.93%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares		
1	Enhua Mi	91.76%
2	Zaiqi Mi	6.93%

Bank: JSC "BasisBank"

Date:

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Table 7

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

		a	b	c
			Carrying values of items	
	Account name of standardized supervisory balance sheet item	Carrying values as reported in published stand-alone financial statements per local accounting rules	Not subject to capital requirements or subject to deduction from capital	Subject to credit risk weighting
1	Cash	32,882,475		32,882,475
2	Due from NBG	202,226,227		202,226,227
3	Due from Banks	67,016,572		67,016,572
4	Dealing Securities	0		0
5	Investment Securities	172,524,654		172,524,654
6.1	Loans	914,558,530		914,558,530
6.2	Less: Loan Loss Reserves	-34,407,670		-34,407,670
6	Net Loans	880,150,859		880,150,859
7	Accrued Interest and Dividends Receivable	8,246,139		8,246,139
8	Other Real Estate Owned & Repossessed Assets	8,909,285		8,909,285
9	Equity Investments	6,362,705		6,362,705
10	Fixed Assets and Intangible Assets	28,000,237	1,363,508	26,636,729
11	Other Assets	5,363,312		5,363,312
	<b>Total exposures subject to credit risk weighting before adjustments</b>	<b>1,411,682,465</b>	<b>1,363,508</b>	<b>1,410,318,957</b>



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Table 8 Differences between carrying values per standardized balance sheet used for regulatory reporting *in Lari*

1	<b>Total carrying value of balance sheet items subject to credit risk weighting before adjustments</b>	1,410,318,957
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	156,610,170
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	
3	<b>Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes</b>	1,566,929,127
4	Effect of provisioning rules used for capital adequacy purposes	14,903,114
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-38,160,965
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	
6	Effect of other adjustments	
7	<b>Total exposures subject to credit risk weighting</b>	1,543,671,276

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Table 9

Regulatory capital

N		in Lari
1	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	218,933,381
2	Common shares that comply with the criteria for Common Equity Tier 1	16,137,647
3	Stock surplus (share premium) of common share that meets the criteria of Common Equity Tier 1	75,783,643
4	Accumulated other comprehensive income	0
5	Other disclosed reserves	91,781,951
6	Retained earnings (loss)	35,230,140
7	<b>Regulatory Adjustments of Common Equity Tier 1 capital</b>	11,016,743
8	Revaluation reserves on assets	9,653,235
9	Accumulated unrealized revaluation gains on assets through profit and loss to the extent that they exceed accumulated unrealized revaluation losses through profit and loss	0
10	Intangible assets	1,363,508
11	Shortfall of the stock of provisions to the provisions based on the Asset Classification	0
12	Investments in own shares	0
13	Reciprocal cross holdings in the capital of commercial banks, insurance entities and other financial institutions	0
14	Cash flow hedge reserve	0
15	Deferred tax assets not subject to the threshold deduction (net of related tax liability)	0
16	Significant investments in the common equity tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions that are outside the scope of regulatory consolidation	0
17	Holdings of equity and other participations constituting more than 10% of the share capital of other commercial entities	0
18	Significant investments in the common shares of commercial banks, insurance entities and other financial institutions (amount above 10% limit)	0
19	Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit)	0
20	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	0
21	The amount of significant investments and Deferred Tax Assets which exceed 15% of common equity tier 1	0
22	Regulatory adjustments applied to Common Equity Tier 1 resulting from shortfall of Tier 1 and Tier 2 capital to deduct investments	0
23	<b>Common Equity Tier 1</b>	207,916,638
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>	14,063,916
37	Instruments that comply with the criteria for Tier 2 capital	0
38	Stock surplus (share premium) that meet the criteria for Tier 2 capital	0
39	General reserves, limited to a maximum of 1.25% of the bank's credit risk-weighted exposures	14,063,916
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>	14,063,916

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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%	55,251,877
1.2	Minimum Tier 1 Requirement	6.00%	73,669,169
1.3	Minimum Regulatory Capital Requirement	8.00%	98,225,559
<b>2</b>	<b>Combined Buffer</b>		
2.1	Capital Conservation Buffer	2.50%	30,695,487
2.2	Countercyclical Buffer	0.00%	0
2.3	Systemic Risk Buffer		0
<b>3</b>	<b>Pillar 2 Requirements</b>		
3.1	CET1 Pillar 2 Requirement	1.93%	23,651,868
3.2	Tier 1 Pillar2 Requirement	2.58%	31,634,271
3.3	Regulatory capital Pillar 2 Requirement	6.27%	76,952,588
<b>Total Requirements</b>		<b>Ratios</b>	<b>Amounts (GEL)</b>
<b>4</b>	CET1	8.93%	109,599,232
<b>5</b>	Tier 1	11.08%	135,998,928
<b>6</b>	Total regulatory Capital	16.77%	205,873,634

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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	32,882,475	
2	Due from NBG	202,226,227	
3	Due from Banks	67,016,572	
4	Dealing Securities	0	
5	Investment Securities	172,524,654	
6.1	Loans	914,558,530	
6.2	Less: Loan Loss Reserves	-34,407,670	
6.2.1	Of which General Reserve	14,897,994	
6.2.2	Of which General Reserve	14,063,916	Table 9 (Capital), N39
6	Net Loans	880,150,859	
7	Accrued Interest and Dividends Receivable	8,246,139	
8	Other Real Estate Owned & Repossessed Assets	8,909,285	
9	Equity Investments	6,362,705	
10	Fixed Assets and Intangible Assets	28,000,237	
10.1	Of which intangible assets	1,363,508	Table 9 (Capital), N10
11	Other Assets	5,363,312	
12	<b>Total assets</b>	<b>1,411,682,465</b>	
13	Due to Banks	50,147,444	
14	Current (Accounts) Deposits	233,913,562	
15	Demand Deposits	141,563,188	
16	Time Deposits	353,283,728	
17	Own Debt Securities	0	
18	Borrowings	392,906,743	
19	Accrued Interest and Dividends Payable	9,203,497	
20	Other Liabilities	11,730,921	
21	Subordinated Debentures		
22	<b>Total liabilities</b>	<b>1,192,749,084</b>	
23	Common Stock	16,137,647	Table 9 (Capital), N2
24	Preferred Stock		
25	Less: Repurchased Shares		
26	Share Premium	75,783,643	Table 9 (Capital), N3
27	General Reserves	82,128,716	Table 9 (Capital), N5
28	Retained Earnings	35,230,140	Table 9 (Capital), N6
29	Asset Revaluation Reserves	9,653,235	Table 9 (Capital), N5, N8
30	<b>Total Equity Capital</b>	<b>218,933,381</b>	

### Credit Risk Weighted Exposures

Table 11 (On-balance items and off-balance items after credit conversion factor)

Off-balance sheet and contingent claims (after credit conversion factor)																
Risk weights	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	0%	25%	50%	75%	100%	150%	250%	Risk Weighted Exposures before Credit Risk Mitigation								
	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 on central banks or central governments or central banks	207,696,193	-	-	-	-	-	-	-	-	170,450,178	0	0	0	-	-	170,450,178
2 Claims on central banks or central governments or central governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Claims on central banks or public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	87,262
4 Claims on central governments or sovereign development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Claims on central governments or international organisations/institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Claims on contingent claims on commercial banks	-	-	64,764,912	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Claims on sovereign claims on sovereigns	-	-	-	-	2,065,145	-	-	-	-	-	-	-	-	-	-	-
8 Retail claims or contingent retail claims	-	-	-	-	-	-	-	-	-	20,921	60,004,690	-	-	-	-	60,025,611
9 Retail claims or contingent retail claims on residential property	-	-	-	-	-	-	-	-	-	-	2,258,195	-	-	-	-	2,258,195
10 Claims on contingent claims issued by mortgages	-	-	-	-	15,622,330	237,747	-	-	140,183,544	-	-	-	-	-	-	140,341,284
11 Items belonging to regulatory hubs or categories	-	-	-	-	-	-	-	-	-	12,116	7,650,611	-	-	-	-	7,662,727
12 Short-term claims on commercial banks and corporates	-	-	-	-	-	-	-	-	-	16,997,154	1,736,286	4,478,814	-	-	-	23,212,254
13 Claims on the financial collection, investment, intermediation (FCI)	-	-	-	-	-	-	-	-	-	2,653,260	855,145	14,470,405	-	-	-	17,978,810
14 Other items	2,862,472	24,264,668	0	64,764,912	0	16,622,330	0	2,372,867	0	126,838,967	16,847,257	16,847,257	0	8,300,000	0	169,522,518
	207,696,193	24,264,668	0	64,764,912	0	16,622,330	0	2,372,867	0	140,183,544	80,487,257	174,487,405	22,343,347	8,300,000	0	326,225,214



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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 - Nominal value				
Asset Classes				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	378,110,369			170,450,176	170,450,176		45%
2 Claims or contingent claims on regional governments or local authorities	0			0	0	#DIV/0!	
3 Claims or contingent claims on public sector entities	100	87,182	87,182	87,282	87,282		100%
4 Claims or contingent claims on multilateral development banks	0			0	0	#DIV/0!	
5 Claims or contingent claims on international organizations/institutions	0			0	0	#DIV/0!	
6 Claims or contingent claims on commercial banks	67,063,075			14,204,294	14,204,294		21%
7 Claims or contingent claims on corporates	574,353,993	84,400,812	60,028,692	634,382,685	566,144,990		89%
8 Retail claims or contingent retail claims	140,183,544	11,716,212	8,256,180	113,393,838	112,115,312		76%
9 Claims or contingent claims secured by mortgages on residential property	20,021,193	10,360,684	9,882,613	17,010,418	13,310,881		45%
10 Past due items	22,475,967	1,881,422	1,795,284	27,510,660	26,927,575		111%
11 Items belonging to regulatory high-risk categories	43,128,372	1,689,268	855,145	52,218,798	46,564,185		106%
12 Short-term claims on commercial banks and corporates	3,767,331	23,749,230	20,706,853	24,474,184	13,146,317		54%
13 Claims in the form of collective investment undertakings ('CIU')	0			0	0	#DIV/0!	
14 Other items	176,118,136	22,725,360	16,837,257	169,522,918	162,162,254		84%
<b>Total</b>	<b>1,425,222,080</b>	<b>156,610,170</b>	<b>118,449,205</b>	<b>1,223,255,252</b>	<b>1,125,113,267</b>		<b>73%</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
High-quality liquid assets										
1	Total HQLA				179,892,510	205,453,931	385,346,441	178,685,551	184,091,210	362,776,761
Cash outflows										
2	Retail deposits	48,183,924	213,874,858	262,058,782	9,335,128	28,317,926	37,653,054	1,981,556	4,977,020	6,958,576
3	Unsecured wholesale funding	242,475,924	605,897,372	848,373,296	71,367,642	92,611,303	163,978,945	53,726,276	71,713,207	125,439,483
4	Secured wholesale funding	60,000,000	-	60,000,000	-	-	-	-	-	-
5	Outflows related to off-balance sheet obligations and net short position of derivative exposures	73,406,311	52,026,761	125,433,072	13,030,558	17,712,172	30,742,730	5,214,820	6,723,317	11,938,137
6	Other contractual funding obligations	-	-	-	-	-	-	-	-	-
7	Other contingent funding obligations	7,873,959	7,997,093	15,871,052	1,929,126	-	-	1,929,126	-	1,929,126
8	TOTAL CASH OUTFLOWS	431,940,118	879,796,084	1,311,736,202	95,662,454	138,641,401	234,303,855	62,851,778	83,413,544	146,265,322
Cash inflows										
9	Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	325,030,953	562,007,055	887,038,008	4,733,063	4,526,380	9,259,443	5,940,022	70,382,475	76,322,496
11	Other cash inflows	2,119,687	261,452	2,381,139	-	-	-	-	-	-
12	TOTAL CASH INFLOWS	327,150,640	562,268,507	889,419,147	4,733,063	4,526,380	9,259,443	5,940,022	70,382,475	76,322,496
					Total value according to NBG's methodology* (with limits)			Total value according to Basel methodology (with limits)		
13	Total HQLA				179,892,510	205,453,931	385,346,441	178,685,551	184,091,210	362,776,761
14	Net cash outflow				90,929,391	134,115,021	225,044,412	56,911,757	20,853,386	77,765,143
15	Liquidity coverage ratio (%)				197.84%	153.19%	171.23%	313.97%	882.79%	466.50%

\* Commercial banks are required to comply with the limits by coefficients calculated according to NBG's methodology. The numbers calculated within Basel framework are given for illustratory purposes.



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Table 15

### Counterparty credit risk

[illegible]

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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)	1,411,687,594
2	(Asset amounts deducted in determining Tier 1 capital)	(1,363,508)
3	<b>Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)</b>	<b>1,410,324,086</b>
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	-
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>	<b>-</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>	<b>-</b>
Other off-balance sheet exposures		
17	Off-balance sheet exposures at gross notional amount	156,610,170
18	(Adjustments for conversion to credit equivalent amounts)	(38,160,965)
19	<b>Other off-balance sheet exposures (sum of lines 17 to 18)</b>	<b>118,449,205</b>
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>	<b>207,916,638</b>
21	<b>Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)</b>	<b>1,528,773,291</b>
Leverage ratio		
22	<b>Leverage ratio</b>	<b>14%</b>
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	