



# REPORT

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**on Disclosure of Data and Information of  
Komercijalna banka A.D. Beograd Group as of June 30<sup>th</sup> 2014**

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## 1. INTRODUCTION

- Komercijalna banka Banking Group (hereinafter: Group) in accordance with the Law on Banks and the Decision on Disclosure of Data and Information by Banks, further below publishes the Report with balance as of June 30th, 2013, which, pursuant to the relevant regulations, contains the quantitative data about:
  - Capital;
  - Capital Adequacy;
  - Mitigation Techniques.
- The Report shall be publicized on the Parent Bank's internet domain ([www.kombank.com](http://www.kombank.com)).

### THE EXECUTIVE BOARD OF THE BANK

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Andrijana Milanović

**Member of the Executive Board**

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Ivica Smolić

**President of the Executive Board**

## 2. BANK'S CAPITAL

- Quantitative data on the Group capital include:
  - The amount of core capital and supplementary capital;
  - Overview of individual elements of capital;
  - Capital deductibles;
  - The amount of total capital.

Capital structure		RSD 000	
Name	30.06.2014.	31.12.2013.	
<b>CORE CAPITAL</b>	<b>33.661.271</b>	<b>46.429.841</b>	
Nominal value of paid up shares, except for cumulative preferred shares,	17.191.466	17.191.466	
Paid up ordinary shares	8.709.310	8.709.310	
Paid up non-cumulative preferred shares	373.510	373.510	
Paid up convertible preferred bank shares	8.108.646	8.108.646	
Issue premium	22.843.084	22.843.084	
Reserves from the profit	17.279.389	17.063.823	
Profit of current year	–	–	
Deductible items from core capital	49.191.922	12.109.578	
Intangible investments	24.595.993	588.924	
Amount of bank shares taken in pledge, except for cumulative preferred shares	290.274	290.274	
Non-realized losses arising from securities available/held for sale	51.944	187.011	
Required reserves from profit for estimated losses under balance sheet assets and off-balance sheet items of the bank	24.253.711	11.043.369	
Minority stakes in subsidiaries	64	63	
Other positive consolidated reserves	1.512.054	1.440.983	
<b>SUPPLEMENTARY CAPITAL</b>	<b>5.415.061</b>	<b>4.988.153</b>	
Part of revaluation reserves of the bank	1.941.502	1.548.890	
Subordinated liabilities	3.473.559	3.439.263	
<b>DEDUCTIONS FROM CAPITAL</b>	<b>192.796</b>	<b>11.233.079</b>	
Direct and indirect investment in banks and other entities in the financial sector in an amount higher than 10% of the capital of such banks or other entities	192.796	189.710	
Required reserve from profit for estimated losses under balance sheet assets and off-balance sheet items of the bank	–	11.043.369	
<b>TOTAL CORE CAPITAL</b>	<b>33.564.873</b>	<b>40.184.914</b>	
<b>TOTAL SUPPLEMENTARY CAPITAL</b>	<b>5.318.663</b>	<b>–</b>	
<b>TOTAL REGULATORY CAPITAL</b>	<b>38.883.536</b>	<b>40.184.914</b>	

### 3. CAPITAL ADEQUACY

- The Group calculates the capital adequacy ratio and capital requirements in accordance with the regulations of the National Bank of Serbia by using the standardized approach, for the following:
  - Credit risk;
  - Market risk;
  - Operational risk.

RSD 000

Capital Requirements	30.06.2014.	31.12.2013.
<b>Credit risk, counterparty risk and settlement/ delivery risk based on free deliveries</b>	<b>20.944.778</b>	<b>20.283.351</b>
Exposures to states and central banks	550.484	531.532
Exposures to territorial autonomies and local government units	304.733	280.303
Exposures to public administrative bodies	245.279	–
Exposures to banks	1.880	2.168
Exposures to companies	815.085	952.557
Exposures to private individuals	10.655.666	11.650.157
Exposures secured by mortgages on real property	3.352.274	3.234.832
Due outstanding receivables	2.660.987	2.804.860
Other exposures	406.822	826.943
Exposures to banks	1.951.569	1.736.852
<b>Market Risks</b>	<b>46.110</b>	<b>86.496</b>
Capital requirement for price risk based on debt securities	–	–
Capital requirement for price risk based on equity securities	–	–
Capital requirement for foreign exchange risk	46.110	86.496
Capital requirement for commodity risk	–	–
<b>Operational Risks</b>	<b>2.472.205</b>	<b>2.195.270</b>
Exposure to operational risk	2.472.205	2.209.153
<b>Total capital requirements</b>	<b>23.463.093</b>	<b>2.813.298</b>
<b>Capital adequacy ratio (minimum 12%)</b>	<b>19,89%</b>	<b>19,86%</b>

- The Group includes the trading book positions in calculation of capital requirements for credit risk, taking into consideration that value and share of trading book in total operations do not obligate the Banking Group to allocate special capital requirements for market risks.
- Capital requirement for fx risk on the level of the Group is the same as the capital requirement for fx risk for Komercijalna Banka Banja Luka as capital requirement for fx risk for Komercijalna Banka Beograd and Komercijalna Banka Budva is lower than 2%. and according the decision of National Bank of Serbia banks do not have obligation to calculate capital requirement for fx risk.

## Report on Disclosure of Data and Information of Komercijalna banka AD Beograd Group as of 30.06.2014

Structure of allocated funds for capital requirement for operational risk

RSD 000

Business Line	Exposure ratio			Capital requirement rate	Capital requirement
	2010.	2011.	2012.		
1. Lending to economic entities	5.810	7.879	8.476	18%	2.472.205
2. Trade and sale	(1.557.760)	(5.416.969)	582.218	18%	
3. Brokerage operations with physical	5.047	3.655	5.032	12%	
4. Banking operations with legal entities	9.601.222	18.116.817	10.693.338	15%	
5. Banking operations with physical persons	5.763.404	2.650.177	6.207.292	12%	
6. Payment transactions	1.652.351	1.850.631	1.932.117	18%	
7. Agency services	24.426	30.972	29.005	15%	
8. Asset management	162.641	213.936	77.087	12%	

## 4. MITIGATION TECHNIQUES

- The Group discloses quantitative data about mitigation techniques that cover the total amount of exposure secured by:
  - Funded credit protection instruments, upon application of volatility factor by exposure classes;
  - Unfunded credit protection instruments by exposure classes.

RSD 000

Exposure to credit risk	Amount of exposures secured by material credit protection instruments		Amount of exposures secured by non-material credit protection instruments	
	30.06.2013.	31.12.2012.	30.06.2013.	31.12.2012.
States and central banks	–	–	–	–
Territorial autonomies and local government	–	–	–	–
Public administrative bodies	–	–	–	–
International development banks	–	–	–	–
Banks	–	–	–	–
Companies	1.476.081	896.369	7.840.522	8.066.889
Private individuals	764.776	749.858	–	3.051
Exposures secured by mortgages on real	38.249	24.707	–	–
Due outstanding receivables	–	–	–	–
Other exposures	13.044	24.907	–	–
<b>Total</b>	<b>2.292.151</b>	<b>1.695.842</b>	<b>7.840.522</b>	<b>8.069.940</b>

\*Note: exposure presented after application of the conversion factor and volatility factor