

FINANCIAL MARKET SUPERVISORY
AUTHORITY

OVERVIEW OF THE BANKING SECTOR

As of 31 January, 2018

Baku– 2018

Table 1. Overview of the banking sector*(AZN million)*

| ASSETS | 31.01.2018 |
|---|-------------------|
| 1. Cash and cash equivalents | 1,243.4 |
| 2. Claims on CBAR, total* | 2,165.7 |
| 3. Nostro accounts (correspondent accounts at other banks), total | 1,872.6 |
| 4. Deposits in financial institutions, including banks | 8,073.8 |
| 5. Securities | 2,486.5 |
| 6. Loans to financial institutions, including banks | 257.4 |
| 6.1 net loans | 207.1 |
| 7. Loans to customers | 11,242.2 |
| 7.1 Less specific reserves against possible losses on loans | 1,485.5 |
| 7.2 Net loans to customers | 9,756.6 |
| 8. Fixed assets | 859.3 |
| 9. Intangible assets | 127.9 |
| 10. Other assets (less specific reserves) | 1,376.8 |
| 11. Total assets | 28,169.7 |
| | |
| LIABILITIES | 31.01.2018 |
| 1. Deposits (excluding financial institutions) | 16,914.6 |
| 1.1 Individuals | 7,482.5 |
| 1.1.1 term deposits | 5,225.5 |
| 1.1.2 current accounts | 2,257.0 |
| 1.2 Legal entities** | 9,432.1 |
| 1.2.1 term deposits | 1,810.8 |
| 1.2.2 current accounts*** | 7,621.3 |
| 2. CBAR's claims to bank | 501.7 |
| 3. Loro accounts | 216.8 |
| 4. Deposits of financial institutions | 1,476.4 |
| 5. Loans of banks | 142.5 |

| | |
|--|-------------------|
| 6. Loans of other financial institutions | 1,825.1 |
| 7. Securities issued by banks | 1,852.7 |
| 8. Other liabilities | 1,438.1 |
| 9. Total liabilities | 24,367.9 |
| CAPITAL | |
| | 31.01.2018 |
| 10. Equity capital | 3,558.2 |
| 11. General reserves | 243.6 |
| 12. Total capital | 3,801.8 |
| 13. Total liabilities and capital | 28,169.7 |

Note: It has been prepared on the basis of Prudential reporting methodology

** Including blocked foreign currency deposits, as collateral for loans from the Central Bank*

*** Including deposits of individuals engaged in individual entrepreneurship, excluding deposits without central government and municipal governing bodies*

****Including current accounts of non-bank financial institutions*

Table 2. Profit and loss statement

(Banking sector)

(AZN million)

| Profit and loss items | 31.01.2018 |
|---|-------------------|
| 1. Interest income what is meant by associated types of | 146.9 |
| 1.1 interest on loans, total | 91.9 |
| 2. Interest expenses | 50.8 |
| 2.1 interest on deposits | 31.8 |
| 3. Net interest income (losses) | 96.1 |
| 4. Non-interest income | 30.6 |
| 5. Non-interest expenses | 68.7 |
| 6. Operating profit (loss) | 58.0 |
| 7. Allowance for loan impairment | (28.8) |
| 8. Other income (expenses) | 1.8 |
| 9. Profit (loss) before tax | 88.6 |
| 10. Profit tax | 1.9 |
| 11. Net profit (loss) | 86.7 |

Table 3. General Information on Financial Market Participants

(Banks)

| | 31.01.2018 |
|--|-------------------|
| Number of banks | 30 |
| State banks | 2 |
| Private banks | 28 |
| Banks with foreign capital | 15 |
| banks with 50%-100% foreign capital, of which | 8 |
| - local branches of foreign banks | 2 |
| banks with less than 50% foreign capital | 7 |
| The number of banks licensed since the beginning of the year | 0 |
| The number of banks whose licenses have been revoked since the beginning of the year | 0 |
| Number of banks' branches | 511 |
| Number of banks' divisions | 142 |
| Number of ATMs | 2,439 |
| Number of employees | 16,207 |