

REPUBLIC OF AZERBAIJAN  
FINANCIAL MARKET SUPERVISORY AUTHORITY

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**BANKING SECTOR OVERVIEW**

*as of May 31, 2017*

**Baku –2017**

**Table 1. Consolidated Balance Sheet***(AZN million)*

<b>Assets</b>	<b>31.05.2017</b>
1. Cash	1,230.8
2. Correspondent accounts with the Central Bank*	3,596.3
3. Nostro accounts (correspondent accounts with other banks)	1,585.6
4. Deposits with financial institutions, including banks	6,332.2
5. Securities	1,702.4
6. Loans to financial institutions, including banks	362.6
6.1. Net loans	311.6
7. Loans to customers**	14,378.6
7.1. Special loan loss reserve	1,714.0
7.2 Net loans	12,664.6
8. Fixed assets	812.2
9. Intangible assets	125.1
10. Other assets (less special reserves)	1,740.3
<b>11. Total assets</b>	<b>30,101.1</b>

<b>Liabilities</b>	<b>31.05.2017</b>
1. Deposits (other than financial institutions)	16,651.3
1.1. Household deposits	6,820.1
1.1.1. Term deposits	5,174.6
1.1.2. Demand deposits	1,645.5
1.2. Corporate deposits***	9,831.2
1.2.1. Term deposits	4,375.5
1.2.2. Demand deposits****	5,455.7
2. Due to the Central Bank	683.3
3. Loro accounts	894.4
4. Deposits from financial institutions	3,545.5
5. Loans from banks	1,847.3
6. Loans from other financial institutions	2,102.1
7. Securities issued by banks	222.8
8. Other liabilities	1,395.5
<b>9. Total liabilities</b>	<b>27,342.2</b>

<b>CAPITAL</b>	<b>31.05.2017</b>
10. Equity	2,469.3
11. General reserves	289.5
<b>12. Total capital</b>	<b>2,758.8</b>
<b>13. Total liabilities and capital</b>	<b>30,101.1</b>

*Note: Based on the Supervisory Reporting Methodology.*

*\* Includes blocked foreign exchange funds collateralizing borrowings from the Central Bank*

*\*\*The loan portfolio reduction in May is largely caused by transfer of the International Bank of Azerbaijan's toxic assets to Agrakredit CJSC*

*\*\*\* Includes deposits of self-employed individuals, other than deposits of central governments and municipalities*

*\*\*\*\*Includes current accounts of non-bank financial institutions*

**Table 2. Income Statement (banking sector)***(AZN million)*

<b>Profit and Loss Accounts</b>	<b>31.05.2017</b>
1. Interest and similar income	839.7
1.1. Interest on loans	623.8
2. Interest and related expenses	407.5
2.1 Interest on deposits	162.3
3. Net interest income (loss)	432.2
4. Non-interest income	408.3
5. Non-interest expenses	403.8
6. Operating profit (loss)	436.7
7. Loan loss provisions (expenses)	248.6
8. Other income (expenses)	2.6
9. Profit (loss) before tax	190.7
10. Corporate income tax	12.5
<b>11. Net profit (loss)</b>	<b>178.2</b>

**Table 3. Financial Market Summary - Banks***(AZN million)*

	31.05.2017
<b>Number of banks</b>	31
State-owned banks	2
Privately-owned banks	29
Banks with foreign equity investments	16
banks with foreign equity investments from 50% to 100%	7
local branch offices of foreign banks	2
banks with foreign equity investments up to 50%	9
Banks licensed year-to-date	0
Banks de-licensed year-to-date	1
Number of bank branches	560
Number of bank divisions	141
Number of ATMs	2,476
Personnel	16,034