

**FINANCIAL MARKET SUPERVISORY
AUTHORITY**

OVERVIEW OF THE BANKING SECTOR

As of 31 October, 2018

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

ASSETS	31.10.2018
1. Cash and cash equivalents	1,120.0
2. Claims on CBAR, total*	2,455.6
3. Nostro accounts (correspondent accounts at other banks), total	2,466.8
4. Deposits in financial institutions, including banks	6,796.1
5. Securities	3,578.9
6. Loans to financial institutions, including banks	233.2
6.1 net loans	217.4
7. Loans to customers	11,889.2
7.1 Less specific reserves against possible losses on loans	1,536.5
7.2 Net loans to customers	10,352.7
8. Fixed assets	925.4
9. Intangible assets	132.1
10. Other assets (less specific reserves)	1,645.2
11. Total assets	29,690.2
LIABILITIES	31.10.2018
1. Deposits (excluding financial institutions)	18,548.2
1.1 Individuals	8,057.9
1.1.1 term deposits	5,486.8
1.1.2 current accounts	2,571.1
1.2 Legal entities**	10,490.4
1.2.1 term deposits	1,865.1
1.2.2 current accounts***	8,625.3
- deposits of entrepreneurs	82.2
2. CBAR's claims to bank	394.6
3. Loro accounts	217.6
4. Deposits of financial institutions	1,176.9

5. Loans of banks	80.6
6. Loans of other financial institutions	1,952.5
7. Securities issued by banks	1,833.2
8. Other liabilities****	1,314.6
9. Total liabilities	25,518.2
CAPITAL	
	31.10.2018
10. Equity capital	3,934.9
11. General reserves	237.1
12. Total capital	4,172.0
13. Total liabilities and capital	29,690.2

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*

***** Including subordinated debt placed by individuals (deposits)*

Table 2. Profit and loss statement

(Banking sector)

(AZN million)

Profit and loss items	31.10.2018
1. Interest income what is meant by associated types of	1445.2
1.1 interest on loans, total	1009.7
2. Interest expenses	489.3
2.1 interest on deposits	320.0
3. Net interest income (losses)	956.0
4. Non-interest income	445.2
5. Non-interest expenses	819.4
6. Operating profit (loss)	581.8
7. Allowance for loan impairment	315.4
8. Other income (expenses)	(0.5)
9. Profit (loss) before tax	265.9
10. Profit tax	27.9
11. Net profit (loss)	238.0

Table 3. General Information on Financial Market Participants

(Banks)

	31.10.2018
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	508
Number of banks' divisions	140
Number of ATMs	2,492
Number of employees	17,211