

**FINANCIAL MARKET SUPERVISORY
AUTHORITY**

OVERVIEW OF THE BANKING SECTOR

As of 31 December, 2018

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

ASSETS	31.12.2018
1. Cash and cash equivalents	1,363.8
2. Claims on CBAR, total*	2,332.6
3. Nostro accounts (correspondent accounts at other banks), total	1,958.6
4. Deposits in financial institutions, including banks	6,484.8
5. Securities	3,586.5
6. Loans to financial institutions, including banks	257.6
6.1 net loans	235.2
7. Loans to customers	12,628.3
7.1 Less specific reserves against possible losses on loans	1,479.0
7.2 Net loans to customers	11,149.3
8. Fixed assets	953.3
9. Intangible assets	145.6
10. Other assets (less specific reserves)	1,292.7
11. Total assets	29,502.4
LIABILITIES	31.12.2018
1. Deposits (excluding financial institutions)	18,581.2
1.1 Individuals	8,269.7
1.1.1 term deposits	5,479.0
1.1.2 current accounts	2,790.7
1.2 Legal entities**	10,311.5
1.2.1 term deposits	1,449.7
1.2.2 current accounts***	8,861.8
- deposits of entrepreneurs	105.7
2. CBAR's claims to bank	384.7
3. Loro accounts	191.1
4. Deposits of financial institutions	1,126.2

5. Loans of banks	87.5
6. Loans of other financial institutions	2,008.3
7. Securities issued by banks	1,829.8
8. Other liabilities****	1,221.8
9. Total liabilities	25,430.6
CAPITAL	
10. Equity capital	3,793.1
11. General reserves	278.7
12. Total capital	4,071.8
13. Total liabilities and capital	29,502.4

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	31.12.2018
1. Interest income what is meant by associated types of	1,753.0
1.1 interest on loans, total	1,224.5
2. Interest expenses	581.9
2.1 interest on deposits	377.8
3. Net interest income (losses)	1,171.1
4. Non-interest income	549.1
5. Non-interest expenses	1,025.6
6. Operating profit (loss)	694.6
7. Allowance for loan impairment	345.4
8. Other income (expenses)	2.5
9. Profit (loss) before tax	351.7
10. Profit tax	72.3
11. Net profit (loss)	279.4

Table 3. General Information on Financial Market Participants

(Banks)

	31.12.2018
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	130
Number of ATMs	2,502
Number of employees	17,415

**Table 4. General information about financial market participants
(Non-Bank Credit Organization and National Postal Operator)**

	31.12.2018
Non-bank credit institutions	104
- Credit Unions	57
State non-bank credit institutions	1
Private non-bank credit institutions	103
non-bank credit institutions with foreign capital	8
non-bank credit institutions with 50%-100% foreign capital	8
local branches of foreign non-bank credit institutions	0
non-bank credit institutions with less than 50% foreign capital	0
The number of non-bank credit institutions licensed since the beginning of the year	1
The number of non-bank credit institutions whose licenses have been revoked since the beginning of the year	20
Number of non-bank credit institutions' branches	155
Number of employees	1905
National operator of postal communication – Azerpost	
Post branches (providing financial services)	63
Post offices (providing financial services)	1113