

**FINANCIAL MARKET SUPERVISORY  
AUTHORITY**

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**OVERVIEW OF THE BANKING SECTOR**

**As of 28 February, 2018**

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

| <b>ASSETS</b>   | <b>28.02.2018</b> |
|---|-------------------|
| 1. Cash and cash equivalents                                      | 1,295.9           |
| 2. Claims on CBAR, total*   | 2,739.9           |
| 3. Nostro accounts (correspondent accounts at other banks), total | 1,781.5           |
| 4. Deposits in financial institutions, including banks            | 7,814.4           |
| 5. Securities   | 2,471.6           |
| 6. Loans to financial institutions, including banks               | 242.6             |
| 6.1 net loans   | 192.4             |
| 7. Loans to customers   | 11,147.2          |
| 7.1 Less specific reserves against possible losses on loans       | 1,469.9           |
| 7.2 Net loans to customers  | 9,677.3           |
| 8. Fixed assets   | 858.2             |
| 9. Intangible assets  | 127.5             |
| 10. Other assets (less specific reserves)                         | 1,540.1           |
| <b>11. Total assets</b>   | <b>28,498.8</b>   |
|   |                   |
| <b>LIABILITIES</b>  | <b>28.02.2018</b> |
| 1. Deposits (excluding financial institutions)                    | 17,140.3          |
| 1.1 Individuals   | 7,737.2           |
| 1.1.1 term deposits   | 5,262.8           |
| 1.1.2 current accounts  | 2,474.4           |
| 1.2 Legal entities**  | 9,403.1           |
| 1.2.1 term deposits   | 1,827.8           |
| 1.2.2 current accounts***   | 7,575.3           |
| 2. CBAR's claims to bank  | 497.5             |
| 3. Loro accounts  | 190.7             |
| 4. Deposits of financial institutions                             | 1,428.2           |
| 5. Loans of banks   | 217.2             |

|  |                   |
|--|-------------------|
| 6. Loans of other financial institutions | 1,885.8           |
| 7. Securities issued by banks            | 1,852.3           |
| 8. Other liabilities                     | 1,401.6           |
| <b>9. Total liabilities</b>              | <b>24,613.6</b>   |
| <b>CAPITAL</b>                           |                   |
|  | <b>28.02.2018</b> |
| 10. Equity capital                       | 3,635.6           |
| 11. General reserves                     | 249.6             |
| <b>12. Total capital</b>                 | <b>3,885.2</b>    |
| <b>13. Total liabilities and capital</b> | <b>28,498.8</b>   |

*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*

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## Table 2. Profit and loss statement

(Banking sector)

(AZN million)

| <b>Profit and loss items</b>                            | <b>28.02.2018</b> |
|---|-------------------|
| 1. Interest income what is meant by associated types of | 287.0             |
| 1.1 interest on loans, total                            | 189.2             |
| 2. Interest expenses                                    | 101.1             |
| 2.1 interest on deposits                                | 63.7              |
| 3. Net interest income (losses)                         | 185.9             |
| 4. Non-interest income                                  | 70.7              |
| 5. Non-interest expenses                                | 142.9             |
| 6. Operating profit (loss)                              | 113.7             |
| 7. Allowance for loan impairment                        | (30.8)            |
| 8. Other income (expenses)                              | 1.0               |
| 9. Profit (loss) before tax                             | 145.5             |
| 10. Profit tax  | 4.2               |
| 11. Net profit (loss)                                   | 141.3             |

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**Table 3. General Information on Financial Market Participants**

(Banks)

|  | <b>28.02.2018</b> |
|--|-------------------|
| <b>Number of banks</b>   | 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   | 143               |
| Number of ATMs   | 2,444             |
| Number of employees  | 16,331            |