

**FINANCIAL MARKET SUPERVISORY
AUTHORITY**

OVERVIEW OF THE BANKING SECTOR

As of 28 February, 2019

Table 1. Overview of the banking sector

(AZN million)

| ASSETS | 28.02.2019 |
|---|-------------------|
| 1. Cash and cash equivalents | 1,287.2 |
| 2. Claims on CBAR, total* | 1,895.5 |
| 3. Nostro accounts (correspondent accounts at other banks), total | 2,411.2 |
| 4. Deposits in financial institutions, including banks | 6,410.3 |
| 5. Securities | 4,223.4 |
| 6. Loans to financial institutions, including banks | 250.9 |
| 6.1 net loans | 229.2 |
| 7. Loans to customers | 12,629.9 |
| 7.1 Less specific reserves against possible losses on loans | 1,522.8 |
| 7.2 Net loans to customers | 11,107.1 |
| 8. Fixed assets | 939.5 |
| 9. Intangible assets | 145.7 |
| 10. Other assets (less specific reserves) | 1,301.7 |
| 11. Total assets | 29,950.8 |
| LIABILITIES | |
| 28.02.2019 | |
| 1. Deposits (excluding financial institutions) | 19,118.0 |
| 1.1 Individuals | 8,118.5 |
| 1.1.1 term deposits | 5,330.0 |
| 1.1.2 current accounts | 2,788.5 |
| 1.2 Legal entities** | 10,999.5 |
| 1.2.1 term deposits | 1,727.5 |

| | |
|--|-------------------|
| 1.2.2 current accounts*** | 9,272.0 |
| - deposits of entrepreneurs | 95.6 |
| 2. CBAR's claims to bank | 347.7 |
| 3. Loro accounts | 180.2 |
| 4. Deposits of financial institutions | 1,105.0 |
| 5. Loans of banks | 83.9 |
| 6. Loans of other financial institutions | 1,962.7 |
| 7. Securities issued by banks | 1,775.6 |
| 8. Other liabilities**** | 1,134.9 |
| 9. Total liabilities | 25,708.0 |
| CAPITAL | |
| | 28.02.2019 |
| 10. Equity capital | 3,960.8 |
| 11. General reserves | 282.0 |
| 12. Total capital | 4,242.8 |
| 13. Total liabilities and capital | 29,950.8 |

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 | 28.02.2019 |
|---|-------------------|
| 1. Interest income what is meant by associated types of | 319.3 |
| 1.1 interest on loans, total | 226.9 |
| 2. Interest expenses | 96.3 |
| 2.1 interest on deposits | 61.4 |
| 3. Net interest income (losses) | 178.7 |
| 4. Non-interest income | 99.2 |
| 5. Non-interest expenses | 164.2 |
| 6. Operating profit (loss) | 113.7 |
| 7. Allowance for loan impairment | 55.4 |
| 8. Other income (expenses) | 2.1 |
| 9. Profit (loss) before tax | 60.4 |
| 10. Profit tax | 11.2 |
| 11. Net profit (loss) | 49.2 |

Table 3. General Information on Financial Market Participants

(Banks)

| | 28.02.2019 |
|--|------------|
| 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 | 509 |
| Number of banks' divisions | 130 |
| Number of ATMs | 2,524 |
| Number of employees | 17,683 |