



Financial Report

January- June 2014

Balance Sheet

Account name	Fact 30 June 2014	Fact 31 Dec. 2013	Growth % (from the beginning of the year)	Fact 30 June 2013	Growth from June 2013%
Cash and cash equivalents	32 494	20 854	56%	23 687	37%
Investments and Loans to banks	35 271	53 965	-35%	44 127	-20%
Loans to clients (net)	178 720	157 364	14%	127 677	40%
Fixed assets	7 411	7 537	-2%	7 375	0%
Other assets	14 492	12 759	14%	12 984	12%
<i>Total Assets</i>	268 388	252 479	6%	215 850	24%
Loans from banks	20 791	20 628	1%	20 359	2%
Client deposits	186 317	172 359	8%	139 859	33%
<i>Current deposits</i>	57 213	77 990	-27%	47 344	21%
<i>deposits of individuals</i>	17 621	23 806	-26%	18 579	-5%
<i>deposits of companies</i>	39 593	54 183	-27%	28 765	38%
<i>Term deposits</i>	129 103	94 370	37%	92 516	40%
<i>deposits of individuals</i>	112 092	81 205	38%	79 573	41%
<i>deposits of companies</i>	17 011	13 165	29%	12 942	31%
Other liabilities	7 215	6 771	7%	10 443	-31%
Total Liabilities	214 322	199 758	7%	170 661	26%
Shareholders' equity	54 066	52 720	3%	45 189	20%
<i>Total Liabilities & Equity</i>	268 388	252 479	6%	215 850	24%

Note: All numbers in AZN' 000 and in Azerbaijan accounting standards

Income Statement

	Fact Jan-June 2014	Fact Jan-June 2013	Growth %
Interest income	16 057	9 925	62%
Interest expenses	6 015	5 040	19%
Net interest income	10 042	4 885	106%
Non-interest income	3 936	2 590	52%
Non-interest expenses	599	483	24%
Net non-interest income	3 337	2 107	58%
Total income	13 379	6 993	91%
Operating expenses	6 161	4 613	34%
Profit bef. provisions and FX gain/loss	7 218	2 380	203%
Net gain/loss on FX position	-33	-84	-60%
Loan loss provisions	5 032	1 562	222%
Profit before tax	2 153	735	193%
Tax	431	147	193%
Net profit	1 722	588	193%

Loans to Clients

Loan type	Fact 30 June 2014	Fact 31 Dec. 2013	Growth %	Fact 30 June 2013	Growth from June 2013%
Micro loans	41 403	28 473	45%	15 614	165%
SME loans*	47 979	53 771	-11%	44 821	7%
Corporate loans	34 446	23 930	44%	22 076	56%
Total business loans	123 829	106 174	17%	82 511	50%
Pawn shop loans	8 047	7 358	9%	6 607	22%
Credit cards	4 724	4 054	17%	3 153	50%
Consumer loans	22 803	16 091	42%	8 823	158%
Consumer loans secured	3 837	1 873	105%	3 380	14%
Mortgage	19 811	20 387	-3%	21 310	-7%
Car loans	4 386	2 621	67%		0%
Other retail loans	2 541	4 227	-40%	4 686	-46%
Total retail loans	66 150	56 612	17%	47 961	38%
Total loans (gross)	189 978	162 785	17%	130 472	46%
Loan loss provisions, including:	-24 179	-8 737	177%	-5 575	334%
<i>General provisions</i>	-1 981	-3 316	-40%	-2 779	-29%
<i>Specific provisions</i>	-22 198	-5 421	309%	-2 795	694%
Accrued interest	11 196				
Total loans (net)	178 976	157 364	14%	127 677	40%

* In March 2014 AZN 8 513,530 thnd SME loans have been reclassified as corporate

Key Financial Ratios

	2014 Jan-June	2013	Growth %
	Fact	Fact	from 2013
Net interest margin	9,2%	7,8%	17,9%
Cost / income ratio	46,0%	57,7%	-20,3%
Provisions / loans ratio	12,0%	5,4%	122,2%
Loans / deposits	99,2%	92,4%	7,4%
Return on assets	1,6%	1,5%	6,7%
Return on equity	8,1%	7,2%	12,5%
Return on assets before special provisions	5,7%	3,2%	78,1%
Return on equity before special provisions	29,1%	15,2%	91,4%