

Rabitaba



Rabitabank

2009



Azerbaijan Economy at a glance

Land mass 86,600 sq. km,

Population 8.3 mln

in mln AZN	2005	2006	2007	2008	2009
GDP	11 876	17 736	26 815	38 006	34 579
GDP growth rate	26%	35%	25%	11%	9%
State Budget	2 055	3 594	6 315	11 061	10 326
Inflation	9.6%	8.3%	16.70%	20.08%	1.5%
Exchange rate 1USD	0,950	0,870	0,850	0.801	0.803

Banking Sector at a glance

Number of credit organizations: 140

Number of banks: 46

Number of state banks: 1 (market share of state bank assets 43%, as of end 2009)

in mln AZN	2005	2006	2007	2008	2009
Assets	2 252	3 778	6 725.7	10 273,6	11 665
Credits	1 440,9	2 362,7	4 681.2	6 988,7	8 563,1
Deposits	1 294,0	2 129,2	3 190.0	4 055,5	4 654
Saving deposits	772,0	1 047,0	1 977.0	1 903,9	2 707
Net profit (after taxes)	42,7	49,1	129,1	185,0	253
Average rate on deposits	9,6%	11,0%	12,7%	11,61%	11,27%
Average rate on credits	16,1%	16,8%	18,5%	17,45%	15,92%

Yield on Government T-Bills: 0,68% (35 day), 2,21% (6 month)

Yield on National Bank short term bonds: 1,0% (28 days maturity)



Rabitabank at a glance

- Rabitabank is a universal commercial bank, providing full range of financial services to its retail and corporate clients;
- Established in 1993, one of the oldest and well reputable commercial banks in Azerbaijan;
- Bank has a network of 21 branches including 6 in city of Baku and over 337 employees;
- Successful history of cooperation with International Financial Institutions since 1997: partner with IFC, EBRD, ICD

Branch network

21 branches (6 in Baku city)

25 ATMs



Corporate and Retail Banking

Corporate Banking

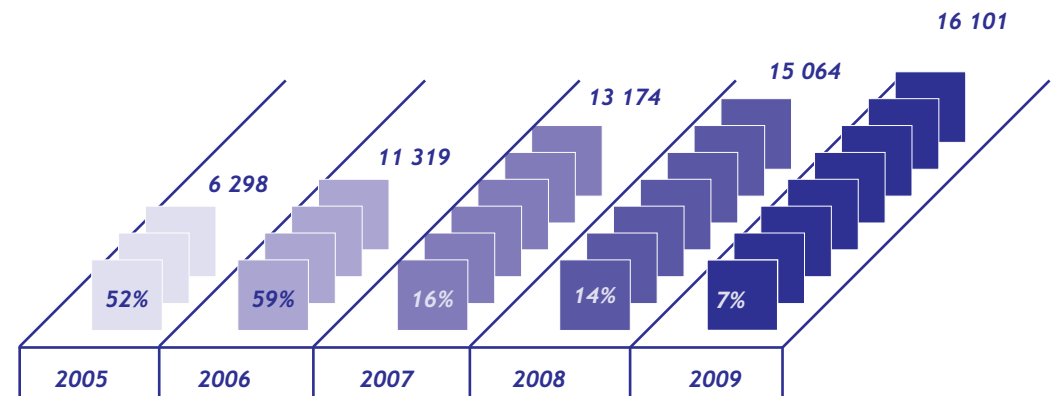
- Loans for financing of construction, production and trade
- Corporate saving accounts
- Trade Finance
- Payroll services (salary cards)
- Stock Market broker services

Retail Banking

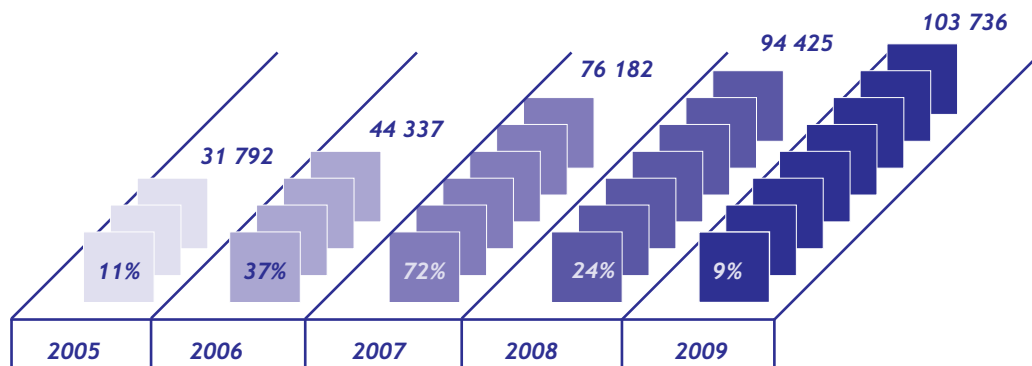
- 36 666 individual customer accountants
- 2707 saving accountants
- 6 066 plastic cards
- 25 ATMs

Consumer loan accountant for 21% of the portfolio including: loans for automobile, home electronics, personnel needs loans, mortgage and credit cards

Assets and Capital



Total assets



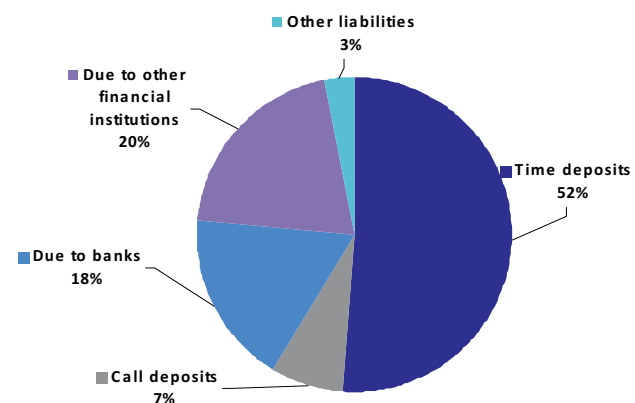
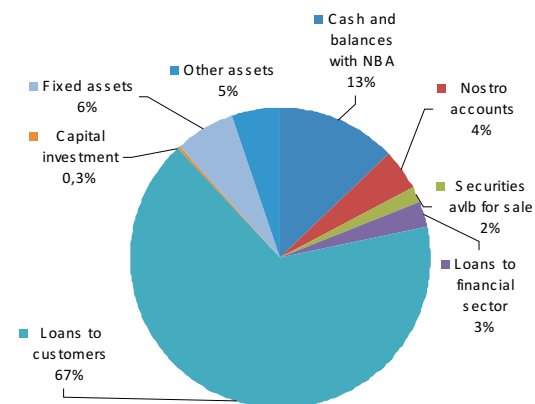
Total capital

in 000 AZN
1 AZN=0.8 USD

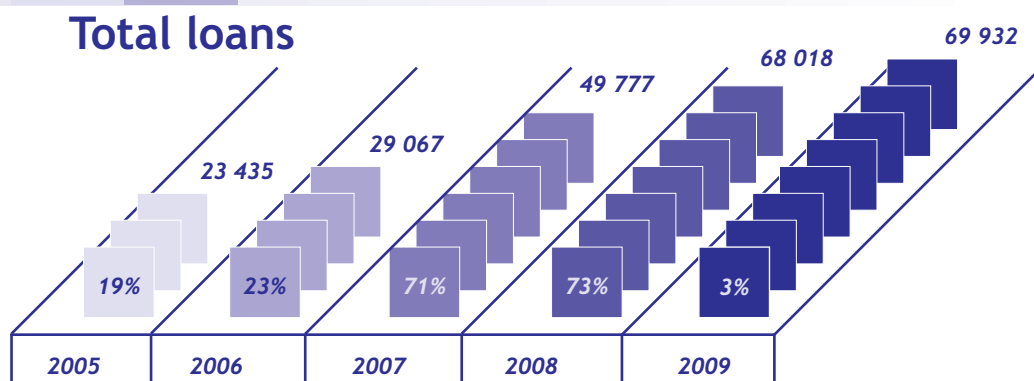
Structure of Assets and Liabilities

Structure of Assets	As of 31.12.09
Cash and balances with NBA	13 358
Nostro accounts	4 615
Securities avlb for sale	1 680
Loans to financial sector	2 778
Loans to customers	69 932
(less) Specific reserves	(1077)
Capital investment	224
Fixed assets	6 671
Other assets	5 554
Total assets	103 736

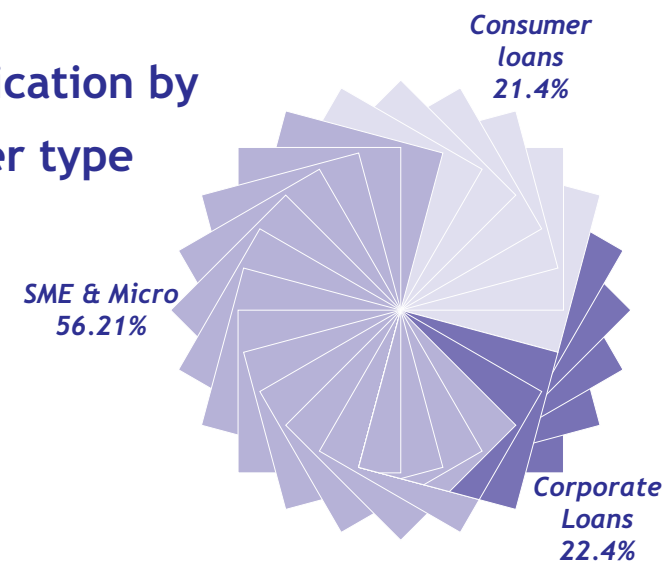
Structure of Liabilities	As of 31.12.09
Time deposits	47 428
Call deposits	6 455
Due to banks	13 052
Longterm funds from Fis	17 594
Other liabilities	2 746
	87 635
Capital	16 101
Total Liabilities and Capital	103 736



Credit Portfolio



Diversification by customer type



in thousand AZN	2005	2006	2007	2008	2009
Total loans	23 435	29 067	49 777	68 018	69 932
Consumer loans	7 031	7 849	15 017	22 076	14 960
SME loans	8 716	11 163	19 964	35 289	39 312
Corporate Loans	7 688	10 055	14 796	10 653	15 661

Credit Portfolio

Industry diversification of loans 2009

Sector	Amount	%
Production	10 048	14.4%
Agriculture	4 346	6.2%
Construction	1 095	1.6%
Trade	34 532	49.4%
Communication	3 687	5.3%
Consumer credits	14 959	21.4%
Other Sectors	1 265	1.8%
Total	69 932	100%

Portfolio quality 2009

10 biggest loans to credit portfolio	31.7%
Related party exposure	0.4%

in 000 AZN
1 AZN=0.8 USD

Lending Partners

IFC



Islamic Development Corporation



EBRD



State Entrepreneur Fund

Parex Bank

5 mln USD Bond issue in Latvia, arranger



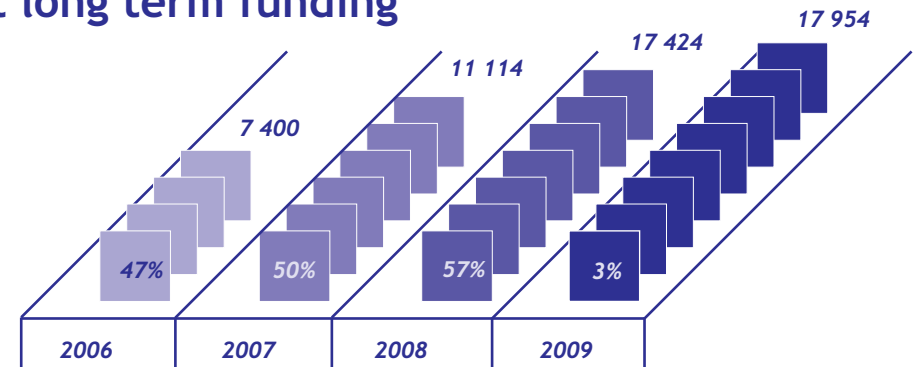
World Business Capital

OPIC supported loan



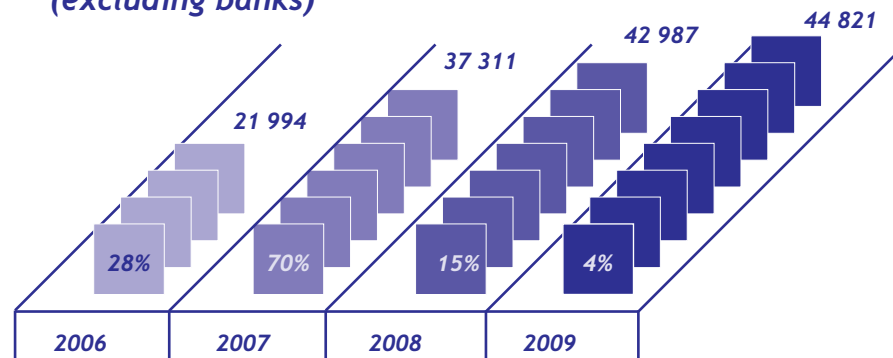
Deposit Portfolio

Non deposit long term funding



Deposits from customers

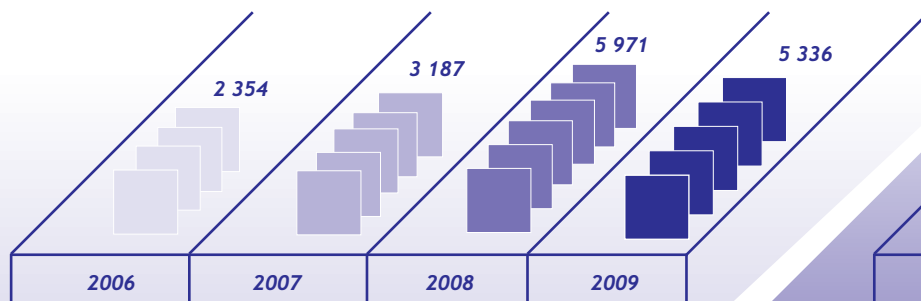
(excluding banks)



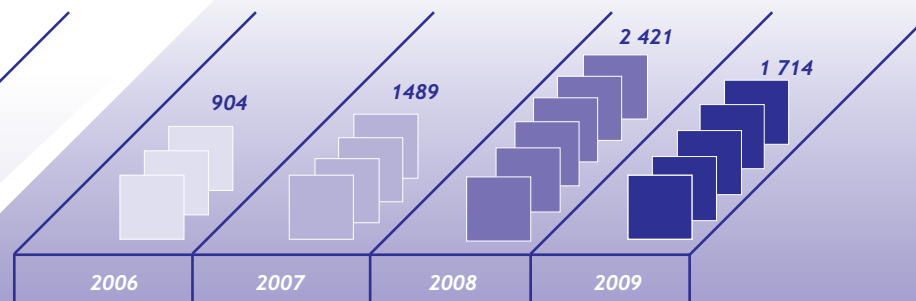
in 000 AZN
1 AZN=0.8 USD

Profitability

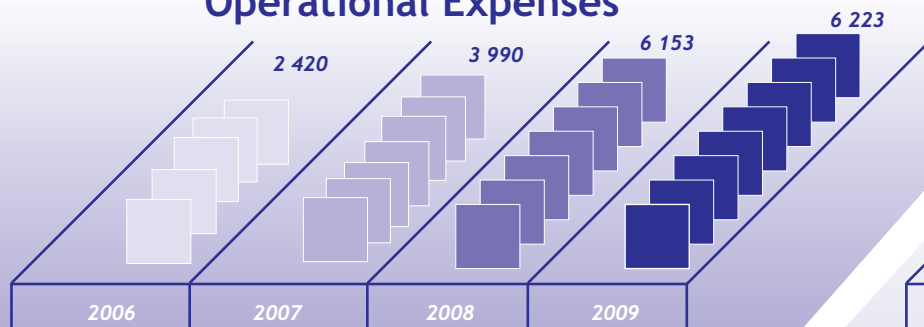
Net Interest income



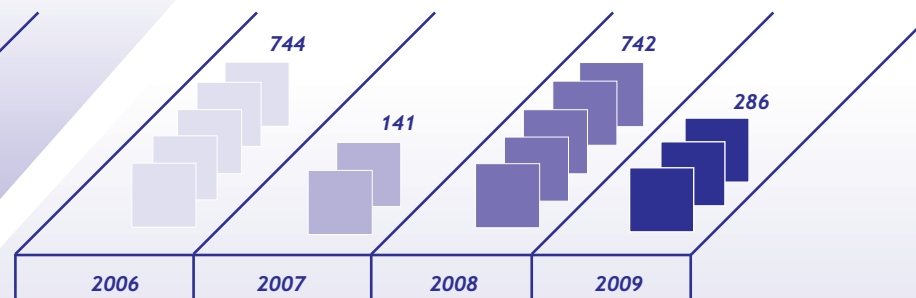
Non-Interest Income



Operational Expenses



Net profit



Key ratios

	2006	2007	2008	2009
ROE	8.07%	1.2%	5.43%	1.84 %
ROA	1.94%	0.23%	0.87%	0.29 %
Cost of funds (1)	6.85%	8.22%	13.42%	8.81 %
Net spread (2)	9.12%	9.01%	9.15%	7.23 %
Non-Interest Income/Total Income	27.74%	17.4%	14.6%	12.09 %
Liquid Assets to Total Assets (3)	19.00%	16.80%	14.50%	18.87 %
Interest earning assets (4)	67.59%	69.36%	77.22%	71.71 %
Customer Loans to Liabilities	81.00%	79.00%	85.71%	82.99 %
Instant liquidity (5)	82,00%	85.59%	75.12%	131.44 %
Total equity to loans	25,40%	26.47%	21.64%	22.14 %
Capital Adequacy	20.00%	14.20%	13.40%	14.09 %

1. Cost of funds is calculated as interest expense over bank and customer accounts and other borrowings.
2. Net spread=Interest Income/Interest Earning Assets - Cost of Funds
3. Liquid assets include cash, cash equivalents and securities available for sale
4. Interest earning assets include securities and loans
5. Ratio of cash, cash equivalents and investment available for sale to demand deposits and 1 month term deposits



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