

Balance sheet

in thousands of AZN

ASSETS	
1. Cash (including banknotes, coins, cash in transit, teller machines and exchange stations), total	90,894
2. Claims on CBAR, total	402,247
3. "Nostro" accounts (correspondent accounts at other banks), total	143,838
4. Short-term financial instruments of inter-bank market (loans up to 7 days, including the 7th day), total	4,784
5. Deposits at financial institutions, including banks	560,234
6. Reverse REPO operations	3,000
7. Securities, total	1,157,219
8. Loans to banks (except for short-term inter-bank financial instruments specified in row 5), total	61,484
8.1 net loans to banks, total	61,484
9. Loans to other financial institutions, total	43,868
10. Loans to customers	1,681,818
10.1 (less) Specific reserves against possible losses on loans	44,702
10.2 Net loans (row 10 less row 10.1)	1,637,116
10. Fixed assets used in banking operations, excluding depreciation, total	14,966
12. Fixed assets not used in banking operations, total	2,741
13. Investments and financial participation (50 % + 1 voting share) in unconsolidated affiliate companies, total	148,987
14. Investments and financial participation (less than 50 % voting share) in other unconsolidated companies and joint ventures, total	315
15. Intangible assets, excluding depreciation	30,542
16. (less) Specific reserves against possible losses on loans on off-balance assets	133
17. Other assets (excluding specific reservers)	81,223
18. Total assets	4,383,325

Liabilities	
1. Deposits (except for banks and other financial institutions), total	3,311,614
2. CBAR's claims to bank, total	0
3. Claims of other banks ("loro" accounts), total	3,005
4. REPO operations	0
5. Short-term financial instruments of inter-bank market (loans up to 7 days, including the 7th day), total	0
5. Deposits of banks and other financial institutions (except of 3rd and 5th row, total	258,787
7. Loans of banks (for a period above 7 days), total	0
8. Loans of other financial institutions (except for banks), total	268,350
9. Deposits and loans of central government bodies	0
10. Deposits and loans of municipal government bodies	0
11. Mortgage loans for bank's own requirement	0
12. Securities issued by bank	0
13. Other liabilities	72,459
14. Total liabilities	3,914,216

Equity	
15. Equity capital, total	437,833
a) common stocks in circulation	333,000
b) preferred call stocks in circulation	0
c) difference between nominal and market prices of common stocks and preferred call stocks	0
d) net retained earnings (loss), total	104,833
d1) net profit (loss) of previous years	40,237
d2) net profit (loss) of current year	64,596
d3) capital reserves	0
16. Ordinary reserves, total	31,276
17. Total capital	469,109
18. Total liabilities and capital	4,383,325

Profit and loss Statement*in thousands of AZN***For the nine months ended 30 September
2019**

1. Interest and associated types of revenues, total	146,408
1.1 Special reserves for interest receivables	2,300
2. Interest and associated expenditures, total	28,452
3. Net interest income (loss) (row 1 less row 2)	115,656
4. Non-interest income, total	51,756
5. Non-interest expenses, total	78,596
6. Net operating profit (loss) (row 3 plus row 4 minus row 5)	88,816
7. Allowance for asset loss provisioning (expenditures), total	13,089
8. Net profit (loss) before taxes and contingent expenses related to banking activity are paid (row 6 minus row 7)	75,727
9. Profit (loss) from unforeseen types of activity and from adjustments in accounting for previous period, total	-17
10. Net profit (loss) before taxes (row 8 +/- row 9)	75,710
11. Taxes	11,114
12. Net profit (loss) after taxes (row 10 less row 11)	64,596
13. Declared dividends, amount	45,232

Statement of cash flows (in thousands of AZN)	2019 I quarter	2019 II quarter	2019 III quarter	2019 IV quarter	Year
Cash flows from operating activities					
Interest received	50,208	44,140	44,458	-	138,806
Interest paid	(9,688)	(8,908)	(8,794)	-	(27,390)
Net fees received	4,732	6,467	6,717	-	17,917
Realised gains less losses from dealing in foreign currencies	4,686	5,132	5,190	-	15,008
Personnel expenses paid	(9,374)	(13,644)	(10,136)	-	(33,154)
General and administrative expenses paid	(4,259)	(11,883)	(12,299)	-	(28,440)
Other operating received/(paid)	135	187	(84)	-	238
Cash flows from operating activities before changes in operating assets and liabilities	36,440	21,492	25,053	-	82,985
<i>Net (increase)/decrease in operating assets</i>					
Trading securities	(8,160)	(683)	(1,248)	-	(10,090)
Amounts due from credit institutions	151,631	266,540	59,125	-	477,296
Loans to customers	50,690	(132,959)	(278,100)	-	(360,369)
Other assets	(7,857)	(5,952)	(1,813)	-	(15,622)
<i>Net increase/(decrease) in operating liabilities</i>					
Amounts due to the Central Bank of the Republic of Azerbaijan, banks and government funds	(22,380)	58,818	140,122	-	176,560
Amounts due to customers	(61,875)	(234,816)	(221,586)	-	(518,277)
Investment securities	19,675	(19,438)	-	-	237
Amounts due to credit institutions	-	-	-	-	-
Other liabilities	(13,826)	6,952	(474)	-	(7,348)
Net cash from/(used in) operating activities before income tax	144,338	(40,047)	(278,920)	-	(174,629)
Income tax paid	(4,105)	(10,079)	(2,000)	-	(16,184)
Net cash from/(used in) operating activities	140,233	(50,125)	(280,920)	-	(190,812)
Cash flows from investing activities					
Net cashflow from AFS	(165,146)	312,249	133,355	-	280,458
Net cashflow from PPE	(784)	(2,993)	(1,851)	-	(5,628)
Net cashflow from intangible	765	(4,078)	623	-	(2,689)
Net cash (used in)/from investing activities	(165,165)	305,179	132,126	-	272,140
Cash flows from financing activities					
Dividends paid	-	(45,232)			(45,232)
Net cash from financing activities	-	(45,232)	-	-	(45,232)
Net increase/(decrease) in cash and cash equivalents	(24,932)	209,822	(148,794)	-	36,096
Cash and cash equivalents, beginning	600,884	575,952	785,774	-	600,884
Cash and cash equivalents, ending	575,952	785,774	636,980	-	636,980

STATEMENT OF CHANGES IN EQUITY

in thousands of AZN

	as at 31 December 2018	Changes during the period	As at 30 September 2019
1. Common stocks	333,000		333,000
2. Preferred call stocks			0
3. Difference between nominal and market prices of common stocks and preferred call stocks			0
4. Dividends	X	45,232	45,232
5. Net retained earnings (loss), total	8,412	96,421	104,833
a) Net profit (loss) of previous years	8,412	31,825	40,237
b) Net profit (loss) of current year	X	64,596	64,596
c) capital reserves			0
6. Ordinary reserves	25,725	5,551	31,276
7. Total capital	367,137	101,972	469,109