



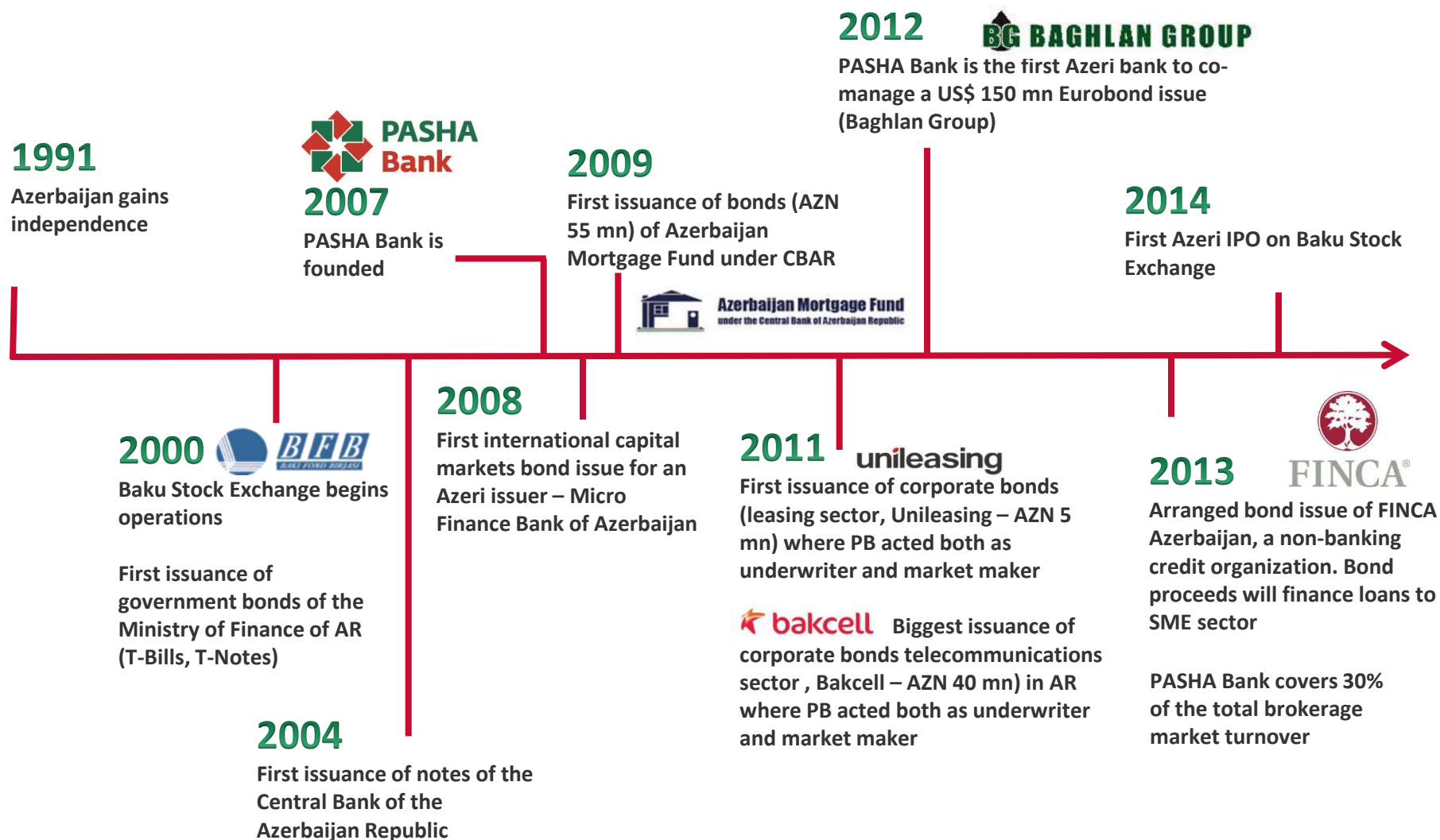
PASHA Bank

A Gateway to Azerbaijan



**PASHA
Bank**

Azerbaijan's Financial Market Development



Introduction to the Azeri Security Market

- Total turnover of the securities market (2012)
 - US\$9.4 bn – total securities
 - US\$ 8.1 bn –state securities
- Currently in the developmental stage :
 - **PASHA Bank underwrote the largest public bond issue** (AZN40 mn) for the country's second largest telecommunication company
 - The most recent transaction was AZN10 mn public bond issuance by FINCA.
 - **PASHA Bank first started to offer market-making services** for the bond issuances and created liquidity for market participants
- Current **market capitalization of the debt market is approximately AZN 700 mn**, of which PASHA Bank has a 50 % share
- There are **several challenges** which have to address to move forward the development of securities market:
 - Lack of knowledge/understanding of local investors of the basic securities market instruments
 - Market infrastructure
 - Regulatory environment



PASHA Bank: a Gateway to Azerbaijan

- Leading investment and corporate bank in Azerbaijan, owned by PASHA Holding
- Established in 2007
- Started full-fledged operations in Georgia in February 2013
- Credit Ratings:
 - S&P: “BB-” long-term and “B” short-term counterparty credit rating with a Stable outlook
 - Fitch Ratings: “B+” long-term foreign currency Issuer Default Ratings (IDRs) with a Stable outlook; and “B” short-term foreign-currency IDR, viability rating - at “B+”

“The Best Private Bank in Azerbaijan”
in 2013, *World Finance Journal*

“The Best Local Bank in Azerbaijan” in 2012,
Eurasian Bank Survey, BNE

“Azerbaijan’s Best Investment Bank” in 2011 &,
2012 *EMEA Finance*

“Best CSR Program in Europe” in 2012 *EMEA Finance*

Key Financial Highlights (2012)

Net Profit	US\$ 16.2 mn
Loan Portfolio (gross)	US\$ 282.8 mn
Total Capital	US\$ 188.4 mn
Total Assets	US\$ 721.1 mn

**calculated on the basis of profit before tax and provision*



Full-Service Financial Institution

Institutional Banking

- Extensive cooperation with export agencies and relations with a range of international financial institutions
- Post-financing and financing projects with foreign financial institutions and the Bank's partners
- A 22% increase in the trade-financing portfolio (including post financing) compared to 2010

Corporate Banking

- Tailored corporate banking solutions to large enterprises
- Pioneered delivery of corporate banking services through dedicated Relationship Managers
- Developed expertise in the economy's high growth industries

Commercial Banking

- Supporting the growth of medium sized businesses through a wide range of services
- Business finance solutions contributing to the diversification of the economy

Investment Banking

- The Treasury manages AZN 308.6mn and generates 26% of the AZN11 mn interest income of the Bank; earns 60% of the Bank's AZN4 mn total non-interest income
- The Bank issued bonds amounting to AZN70 mn and successfully placed them publicly in the securities market in 2011
- The Bank provides daily liquidity for the abovementioned AZN70 mn bonds by providing market making services



Private Banking

- The first truly dedicated private banking operation in the Azerbaijani market
- Customer -focused financial and non-financial services in Azerbaijan and abroad
- Growth and protection of personal wealth, as well as transfer of wealth to future generations

Business Banking

- Loan programme based on the best practices of small enterprise lending in emerging markets
- Specialised credit risk management system
- Developed expertise in the high growth industries of the economy

Operations in Domestic Financial Market

unibank

Banking

December 2011

AZN 20,000,000

3 years

Market maker / Underwriter:

PASHA Bank

bakcell

Telecommunication

December 2011

AZN 40,000,000

3 years

Market maker / Underwriter:

PASHA Bank

Bank of Baku

Banking

December 2012

AZN 10,000,000

3 Years

Market maker / Underwriter:

PASHA Bank

AGBANK

Banking

April 2013

AZN 12,000,000

3 Year

Market maker / Underwriter:

PASHA Bank

FINCA

Non-Banking Credit organisation

July 2013

AZN 10,000,000

3 years

Market maker / Underwriter:

PASHA Bank

unileasing /

Leasing

August 2013

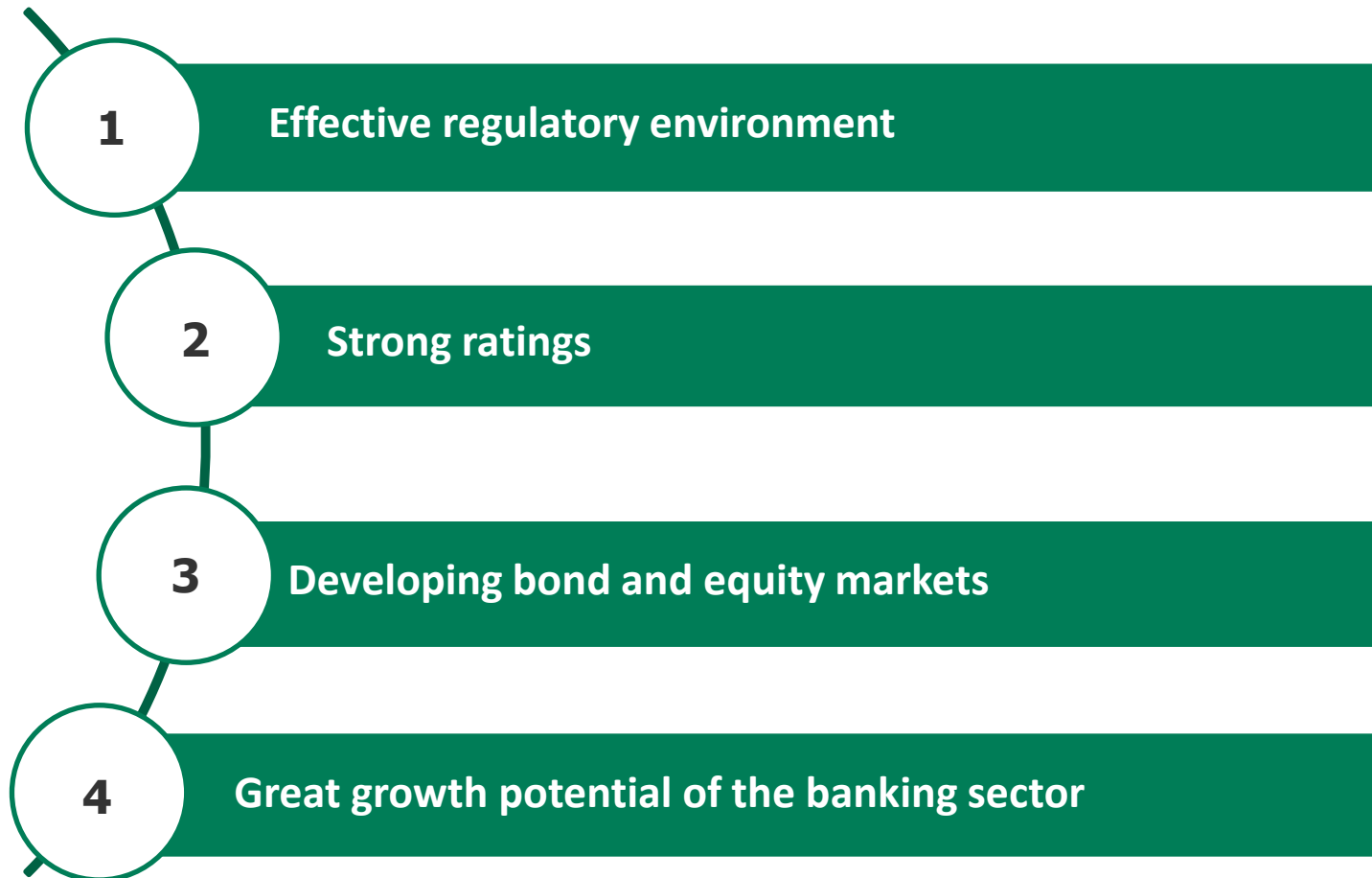
AZN 4,000,000

1 year

Market maker / Underwriter:

PASHA Bank

Why Invest in Financial Markets Instruments?





Contact:

Farid Akhundov

15, Yusif Mammadaliyev Street.
Baku, AZ1005, Azerbaijan
Tel: (+994 12) 496 50 00



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