

Balance sheet

in thousands of AZN

ASSETS	
1. Cash (including banknotes, coins, cash in transit, teller machines and exchange stations), total	93,539
2. Claims on CBAR, total	524,174
3. "Nostro" accounts (correspondent accounts at other banks), total	220,765
4. Short-term financial instruments of inter-bank market (loans up to 7 days, including the 7th day), total	12
5. Deposits at financial institutions, including banks	692,374
6. Reverse REPO operations	0
7. Securities, total	1,096,496
8. Loans to banks (except for short-term inter-bank financial instruments specified in row 5), total	62,735
8.1 net loans to banks, total	59,185
9. Loans to other financial institutions, total	48,262
10. Loans to customers	1,799,033
10.1 (less) Specific reserves against possible losses on loans	45,393
10.2 Net loans (row 10 less row 10.1)	1,753,640
10. Fixed assets used in banking operations, excluding depreciation, total	15,017
12. Fixed assets not used in banking operations, total	2,552
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	30,401
16. (less) Specific reserves against possible losses on loans on off-balance assets	133
17. Other assets (excluding specific reservers)	81,865
18. Total assets	4,767,450

Liabilities	
1. Deposits (except for banks and other financial institutions), total	3,585,524
2. CBAR's claims to bank, total	0
3. Claims of other banks ("loro" accounts), total	18,165
4. REPO operations	35,510
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	284,746
7. Loans of banks (for a period above 7 days), total	0
8. Loans of other financial institutions (except for banks), total	283,707
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	84,030
14. Total liabilities	4,291,682

Equity	
15. Equity capital, total	438,276
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	105,276
d1) net profit (loss) of previous years	40,237
d2) net profit (loss) of current year	65,040
d3) capital reserves	0
16. Ordinary reserves, total	37,492
17. Total capital	475,768
18. Total liabilities and capital	4,767,450

Profit and loss Statement*in thousands of AZN***For the twelve months ended 30
December 2019**

1. Interest and associated types of revenues, total	196,217
1.1 Special reserves for interest receivables	1,982
2. Interest and associated expenditures, total	38,792
3. Net interest income (loss) (row 1 less row 2)	155,443
4. Non-interest income, total	76,585
5. Non-interest expenses, total	124,960
6. Net operating profit (loss) (row 3 plus row 4 minus row 5)	107,067
7. Allowance for asset loss provisioning (expenditures), total	24,524
8. Net profit (loss) before taxes and contingent expenses related to banking activity are paid (row 6 minus row 7)	82,544
9. Profit (loss) from unforeseen types of activity and from adjustments in accounting for previous period, total	-18
10. Net profit (loss) before taxes (row 8 +/- row 9)	82,526
11. Taxes	17,486
12. Net profit (loss) after taxes (row 10 less row 11)	65,040
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	83,854	222,660
Interest paid	(9,688)	(8,908)	(8,794)	(10,620)	(38,010)
Net fees received	4,732	6,467	6,717	5,296	23,213
Realised gains less losses from dealing in foreign currencies	4,686	5,132	5,190	8,277	23,285
Personnel expenses paid	(9,374)	(13,644)	(10,136)	(14,574)	(47,728)
General and administrative expenses paid	(4,259)	(11,883)	(12,299)	(18,524)	(46,964)
Other operating received/(paid)	135	187	(84)	70	308
Cash flows from operating activities before changes in operating assets and liabilities	36,440	21,492	25,053	53,779	136,764
<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	(125,622)	351,673
Loans to customers	50,690	(132,959)	(278,100)	(131,134)	(491,503)
Other assets	(7,857)	(5,952)	(1,813)	4,817	(10,806)
<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	38,510	215,070
Amounts due to customers	(61,875)	(234,816)	(221,586)	276,436	(241,841)
Investment securities	19,675	(19,438)	-	35,595	35,832
Amounts due to credit institutions	-	-	-	-	-
Other liabilities	(13,826)	6,952	(474)	(1,379)	(8,727)
Net cash from/(used in) operating activities before income tax	144,338	(40,047)	(278,920)	161,091	(13,538)
Income tax paid	(4,105)	(10,079)	(2,000)	(8,430)	(24,613)
Net cash from/(used in) operating activities	140,233	(50,125)	(280,920)	152,661	(38,151)
Cash flows from investing activities					
Net cashflow from AFS	(165,146)	312,249	133,355	52,842	333,300
Net cashflow from PPE	(784)	(2,993)	(1,851)	(4,147)	(9,776)
Net cashflow from intangible	765	(4,078)	623	141	(2,548)
Net cash (used in)/from investing activities	(165,165)	305,179	132,126	48,836	320,977
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)	201,498	237,594
Cash and cash equivalents, beginning	600,884	575,952	785,774	636,980	600,884
Cash and cash equivalents, ending	575,952	785,774	636,980	838,478	838,478

STATEMENT OF CHANGES IN EQUITY

in thousands of AZN

	as at 31 December 2018	Changes during the period	As at 30 December 2019
1. Common stocks	333,000	0	333,000
2. Preferred call stocks	0	0	0
3. Difference between nominal and market prices of common stocks and preferred call stocks	0	0	0
4. Dividends	X	45,232	45,232
5. Net retained earnings (loss), total	8,412	96,864	105,276
a) Net profit (loss) of previous years	8,412	31,825	40,237
b) Net profit (loss) of current year	X	65,040	65,040
c) capital reserves	0	0	0
6. Ordinary reserves	25,725	11,766	37,492
7. Total capital	367,137	108,631	475,768