AccessBank

Full Rating Report

Ratings

Foreign Currency

Long-Term IDR	BB+
Short-Term IDR	B
Viability Rating	bb−
Support Rating	3

Sovereign Risk

Foreign-Currency Long-Term IDR	BBB−
Local-Currency Long-Term IDR	BBB−

Outlooks

Foreign-Currency Long-Term IDR	Stable
Sovereign Foreign-Currency Long-Term IDR	Stable
Sovereign Local-Currency Long-Term IDR	Stable

Financial Data

AccessBank

	31 Dec 13[a]	31 Dec 12
Total assets (USDm)	1,006.4	656.4
Total assets (AZNm)	789.5	515.3
Total equity (AZNm)	114.1	94.8
Operating profit (AZNm)	34.7	20.4
Published net income (AZNm)	27.2	15.8
Comprehensive income (AZNm)	27.2	15.8
ROAA (%)	4.3	3.5
ROAE (%)	28.9	17.5
Internal capital generation (%)[b]	28.9	17.5
Basel II total capital ratio (%)	17.2	22.5

[a] Unaudited IFRS management accounts
[b] Net income for the period less dividends/average total equity

Related Research

Azerbaijan (March 2014)

Azerbaijan's Banking Sector: Broadly Stable but Structural Vulnerabilities Exist (March 2014)

2014 Outlook: CIS and Georgian Banks (December 2013)

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Key Rating Drivers

Support-Driven IDRs: AccessBank's (AB) IDRs and Support Rating reflect the moderate probability of support from its international financial institution (IFI) shareholders that collectively control a majority stake in the bank. However, AB's ratings also account for some uncertainty in respect to timely support always being provided if needed, given the fragmented nature of the shareholder structure, the limited strategic importance of the bank for its IFI owners and their intention to gradually decrease their stakes in the bank in the medium term.

Strong Financials; Macro Challenges: AB's Viability Rating (VR) of 'bb−' reflects the bank's extended track record of sound performance in a challenging operating environment, its sound financial metrics in terms of profitability, asset quality and capitalisation, and strong governance and management. On the negative side, the VR is pressured by the highly cyclical commodity-driven economy which lacks structural and institutional development.

Sound Performance; Downside Risks: In 2013, AB increased its internal capital generation, with return on average equity (ROAE) of around 29% (2012: 17.5%), mainly thanks to fast lending expansion (52% loan growth in 2013) and ability to contain credit losses. In the longer run, risks might stem from: (i) potential sector-wide margin compression driven by intensifying competition in the SME segment; (ii) asset quality deterioration due to portfolio seasoning and greater market saturation; and (iii) potential volatility of impairment losses through the cycle.

Decent Asset Quality: At end-2013, AB's reported non-performing loans (NPLs, 90 days overdue) were a low 0.5% of gross loans. Restructured loans and write-offs added a further 0.5% and 0.3%, respectively. The average NPL ratio in the SME segment in Azerbaijan is higher, which questions the long-term sustainability of AB's solid asset-quality metrics.

Mostly Wholesale Funded: AB is highly reliant on wholesale funding (63% of end-2013 liabilities), which is largely sourced from IFIs and commercial funds. However, this funding is well diversified by lender and by maturity, with moderate AZN73m (11% of end-2013 liabilities) refinancing needs for 2014. The latter were only 0.7x covered by the liquidity buffer at end-2013, exposing the bank to moderate refinancing risks.

Currently Sufficient Capital: At end-2013, AB reported a 17.2% total regulatory capital adequacy ratio (down from 22.5% at end-2012), that allowed the bank to reserve up to 9% of its total gross loans (end-2012: 15%) before breaching the 12% regulatory minimum. In 2013, AB paid AZN6.4m dividends (around 40% of 2012 net income), and it intends to keep dividend payments at this level. This, combined with rapid growth, might soften AB's capital ratio in 2014, but Fitch Ratings expects this to remain above the minimum internal target of 15%.

Rating Sensitivities

Sovereign Downgrade; Support Weakening: A multi-notch sovereign downgrade or a marked weakening of shareholder support could result in a lowering of AB's support-driven ratings. However, Fitch regards these scenarios as unlikely. Upside potential for AB's support-driven IDR is limited.

Changes to Risk Profile: Sharp changes to AB's risk appetite, especially if followed by significant asset quality deterioration and depletion of capital, would put pressure on its VR. Upside potential for AB's VR is limited and would probably require notable improvements in the operating environment.

Operating Environment

Retail Lending the Main Growth Driver

Fitch expects Azerbaijan's banking sector to grow by about 20% in 2013, with retail lending and, to a lesser extent, SME and micro lending now the main growth driver. This in particular reflects the focus of smaller, privately-owned banks, which are seeking to offset pressure on corporate lending margins and improve returns on capital. Fitch views rapid retail loan growth as quite high-risk given the potential impact of intense competition on underwriting standards, poor payment discipline of retail borrowers and the limited experience of some banks in retail lending. However, these risks are partially offset by still low consumer indebtedness, considerable inflow of formerly under-banked clients into the system and modest penetration (retail loans/GDP stood at around 10% at end-2013).

For more details on the operating environment, see Fitch's *Presentation Azerbaijan's Banking Sector: Focus on Capitalisation*, published 4 April 2013 and *2014 Outlook: CIS and Georgian Banks* published 13 December 2013 available at www.fitchratings.com.

Stable at Present, but Structural Weaknesses Remain

System NPLs equalled a moderate 10% of loans at end-1H13, supported by fast loan growth and favourable macro environment. The sector benefits from currently favourable export markets, the relatively stable exchange rate of the Azerbaijani manat (over the last several years) and the spill-over effect of high oil revenues to the non-oil economy (especially helping to boost government spending). At the same time, the local economy still features a number of structural weaknesses, including the poor business climate and legal environment, the limited financial transparency of most corporates, generally immature capital and money markets and the potential high cyclicality and vulnerability to external shocks.

Never Tested Through Severe Prolonged Systemic Stress

AB weathered the 2008 crisis rather well, without a material increase in its credit charges. However, the 2008 crisis had a somewhat limited negative effect on the emerging Azerbaijani banking sector of that time. A more prolonged systemic stress, e.g. as a result of sustained oil price shock, could potentially affect the bank more severely. The vast majority of AB's borrowers are highly sensitive to the volume of government spending, which is mainly driven by oil prices. The latter makes AB prone to significant cyclicality, which could potentially lead to considerable volatility in its performance.

Support

Ratings Driven by Moderate Probability of Shareholder Support

AB's IDRs and Support Rating are underpinned by the moderate probability of support from its IFI shareholders, in particular KfW (AAA/Stable; 20% stake), the European Bank for Reconstruction and Development (EBRD; AAA/Stable; 20%) and the International Finance Corporation (IFC; 20%). At the same time, AB's Support Rating of '3' and Long-Term IDR of 'BB+' reflect some uncertainty with respect to timely support always being provided if needed, given the fragmented nature of the shareholder structure and the limited strategic importance of the bank for its IFI owners.

Figure 1

Shareholder Structure

Shareholder	Stake (%)
KfW	20.0
IFC	20.0
EBRD	20.0
BSTDB	20.0
AMH	16.5
LFS	3.5

Source: AB

Company Profile

One of the Largest Local Private Banks, Owned by IFIs

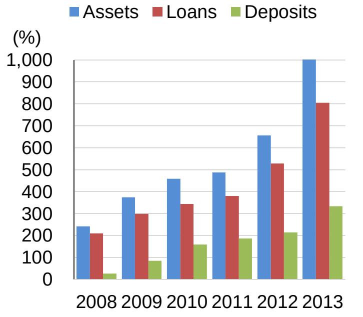
AB (formerly Micro Finance Bank of Azerbaijan) was set up in 2002 by a group of international institutional investors to offer a full range of banking services to micro and small businesses in Azerbaijan. The bank is owned by KfW, the EBRD, the IFC, the Black Sea Trade and Development Bank (BSTDB), Access Microfinance Holding (AMH) and LFS Financial Systems GmbH (LFS; see Figure 1). All except AMH have been shareholders since the bank's foundation. Fitch does not expect any changes to the structure of AB's ultimate beneficiaries in the near term.

Related Criteria

Global Financial Institutions Rating Criteria (January 2014)

Figure 2

AB's Growth



Source: AB's data adapted by Fitch

Figure 3

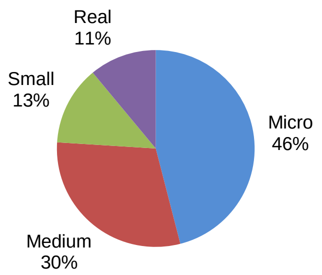
AB's Product Range

(AZN 000)	Maximum size	Average size
Micro loans	30	3.4
Small loans	100	47.0
Medium loans	3,900	376.2
Retail loans	n.a.	2.7
Staff loans	n.a.	12.2

Source: AB

Figure 4

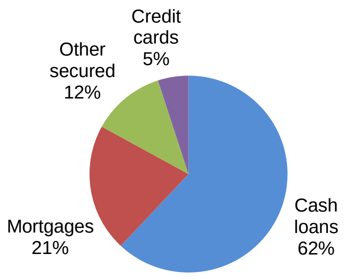
Loan Book by Type



Source: AB's data at end-2013 adapted by Fitch

Figure 5

Retail Loan Book by Type



Source: AB's data at end-8M13 adapted by Fitch

Country-Wide Presence; Focus on Microfinance Lending

AB concentrates on high-yielding small-, micro- and retail lending. The bank has grown rapidly (see Figure 2), underpinned by the fast oil-driven expansion of the Azerbaijani economy, relatively modest credit penetration and favourable competition in SMEs. However, competition is intensifying, as many private banks have turned to the sector to support their shrinking margins in corporate lending.

The bank operates through 41 branches across Azerbaijan and was fifth largest in the country by loans at end-2013. However, its market share in lending remains below 6%. Nevertheless, in micro lending, AB is the unrivalled leader with a 32% market share.

Management

Corporate Governance Benefits From IFI Shareholders

AB's corporate governance standards have to a significant extent been established by its IFI shareholders that pursued greater transparency, a more prudent account policy and underwriting and improved management information and reporting systems. However, operational controls are undermined by some weaknesses typical of an emerging-market environment.

AB's supervisory board comprises five members in total (no more than one representative from each shareholder), including one independent member. Fitch views the disclosure, transparency and corporate governance standards in AB as above peer median in Fitch-rated banks in Azerbaijan. Almost all important functions – such as group strategy, supervision, risk management and internal audit – are supervised and supported by the shareholders. AB's management board is headed by a former EBRD top manager.

Risk Appetite

Mostly Focused on Microfinance and SME Lending

AB's priority line is business lending in two major segments: micro lending and SME lending (see Figures 3 and 4). The share of retail lending has been relatively stable, at around 11%, since end-2011. The retail book is dominated by cash loans and mortgages, to predominantly salaried individuals and the bank's staff (Figure 5). The loan book turnover is very fast, as the average loan duration is less than one year. This factor, together with low loan concentration, contributes a lot to AB's liquidity.

The single-borrower concentration of the loan book is low due to the nature of the business. At end-2013, the 25 largest borrowers accounted for a low 9% of the total loan book. Industry concentration is much higher, as is typical for Commonwealth of Independent States (CIS) markets; AB extends most loans to the trade sector (slightly above 50% at end-8M13). Diversification by sub-sector is greater. Collateral requirements are formally strict but collateral repossession and foreclosure in Azerbaijan is poor because of its poor institutional development, and therefore not much credit could be given for AB's collateral adequacy.

Direct Market Risks Remote; Significant FX Lending to Remain a Weakness

AB does not have either securities or floating-interest instruments on balance sheet and maintains a flat open currency position (negative 5.5% of end-2013 equity for the US dollar and negative 1.5% for the euro). However, the bank is heavily exposed to indirect FX risks due to the high proportion of US dollar-denominated loans (56% of gross loans at end-2013). Fitch does not expect the dollarisation of AB's balance sheet to moderate in the near term. As a moderate mitigating factor, the Azerbaijani currency exchange rate has been historically stable supported by a strong sovereign balance sheet.

Financial Profile

Asset Quality

Sound Ability to Contain Credit Losses

Figure 6

Selected Asset Quality Metrics

(%)	End-2013[a]	End-2012	End-2011	End-2010
Growth of gross loans	52.39	38.36	9.39	13.94
Impaired loans/gross loans	0.36	0.70	0.80	1.10
Reserves for impaired loans/impaired loans	248.38	358.62	325.00	253.33
Impaired loans less reserves for impaired loans/equity	-2.93	-7.91	-6.33	-6.17
Loan impairment charges/average gross loans	0.84	0.87	0.49	0.82

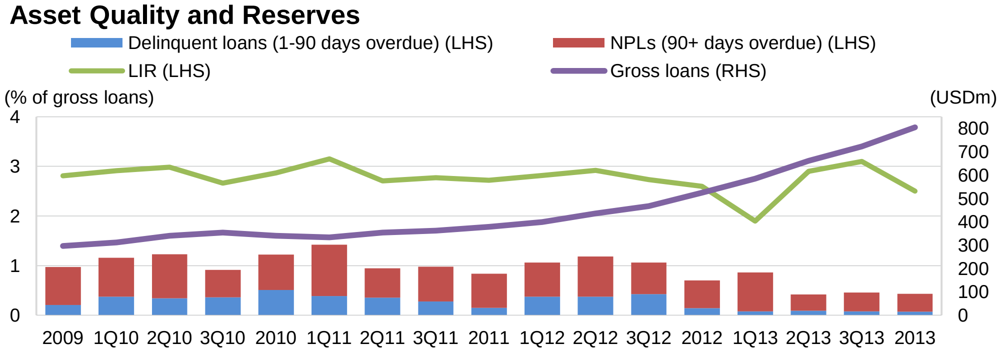
[a] Unaudited management accounts
Source: AB's data adapted by Fitch

AB has had consistently low reported NPLs since its foundation, with no spike during the Q408-Q109 financial crisis. In recent years AB's NPLs reached historical lows. End-2013 metrics are also sound, with NPLs equalling only 0.5% of end-2013 loans, with a further 0.5% of restructured loans and 0.3% of write-offs. Loan impairment reserve (LIR) coverage is healthy, with end-2013 reserves covering overdue loans by 2.5x.

There are several drivers of portfolio quality, including: (i) the short average tenor of loans; (ii) daily online monitoring of the loan book and overall sophisticated management information systems; (iii) united sales and risk-management functions; (iv) the linking of credit officers' salary (about 70% is a floating bonus) to the quality of issued loans; and (v) zero tolerance for corruption. It is AB's policy not to lend to start-ups and not to lend with grace periods.

Figure 7

Asset Quality and Reserves



Source: AB's data adapted by Fitch

Sustainability of Good Asset Quality Metrics Yet to be Tested Through Cycle

The average NPL ratio for SMEs (excluding state-controlled and quasi-sovereign banks with rather poor corporate governance resulting in compromised underwriting standards) in Azerbaijan is higher than that reported by AB. This brings into question the sustainability of AB's solid asset-quality metrics. The room for further cherry-picking of borrowers is reducing and competition is intensifying. Furthermore, effectively manual control of asset quality is becoming less achievable as the portfolio grows.

Earnings and Profitability

Consistently Solid Profitability on the Positive Side of Economic Cycle

AB demonstrates consistently solid profitability metrics since 2007, with the lowest profitability metrics in 2012, when return on average assets (ROAA) and ROAE declined to 3.5% and 17.5%, respectively (Figure 6 above). Based on the analysis of unaudited management accounts for 2013, Fitch expects 2013 profitability metrics to surpass those of 2012. Despite faster asset growth in 2013 (around 53% versus 34% for 2012) the bank managed to contain credit losses and maintain strong ROAA and ROAE, not least thanks to a prudent provisioning policy during preceding years (impairment reserves significantly (almost 4x) exceeded NPLs at end-2012).

Gradual Moderation of Performance Possible

Fitch is concerned that AB's profitability could fall in the medium term due to further gradual sector-wide margin compression, intensifying competition, the slowdown of loan book growth and a potential increase in impairment charges. At the same time the agency expects AB's performance to remain healthy as the bank has a significant net interest margin (NIM) cushion. AB also expects to reverse any decline in profitability by strengthening its fee-generating capacity, but there has been little progress so far, with non-interest income around a low 10% of gross revenue for 2013.

Labour-Intensive Business Model

AB's cost/income ratio remains high (albeit in line with the market average), reflecting its large branch network and labour-intensive business model. Significant cost reductions are unlikely, in Fitch's view.

Figure 8
Selected Profitability Metrics

(%)	End-2013[a]	End-2012	End-2011	End-2010
Net interest income/average earning assets	25.59	20.94	19.54	22.35
Non-interest expense/gross revenues	64.91	69.36	69.31	55.64
Loans and securities impairment charges/ pre-impairment operating profit	11.96	13.19	7.37	7.42
Operating profit/average total assets	5.21	4.54	4.79	7.86
Operating profit/average equity	29.42	22.64	21.84	41.07
Net income/average total assets	4.26	3.52	4.68	7.86
Net income/average equity	28.88	17.54	21.34	41.07

[a] Unaudited management accounts
Source: AB's data adapted by Fitch

Capitalisation and Leverage

Gradual Capital Consumption, but Moderate Cushion to be Maintained

Figure 9
Loss Absorption Capacity[a]

Regulatory	End-2013	End-2012	End-2011
Tier 1 capital (AZNm)	83.2	77.4	63.9
Tier 2 capital (AZNm)	37.5	24.8	26.4
Total capital (AZNm)	**120.6**	**102.2**	**90.3**
Tier 1 ratio (%)	11.9	17.0	19.8
Total CAR ratio (%)	**17.2**	**22.5**	**27.9**
Risk-weighted assets (AZNm)	699.7	454.3	323.6
Current LIR (AZNm)	13.7	10.4	7.8
Additional LIR capacity (AZNm)[a]	**41.7**	**54.2**	**47.3**
Maximum LIR capacity (AZNm)[a]	55.4	63.8	55.1
Additional LIR capacity/gross loans (%)[a]	6.6	12.6	15.9
Maximum LIR/gross loans (%)[a]	**8.8**	**15.0**	**18.5**

Note: In analysing capital, Fitch's primary focus is on loss-absorbing capital, as expressed by Fitch core capital. However, the Basel total capital ratio is used here to provide comparison with regulatory capital
[a] Total reserves as a percentage of the loan book, before the bank's CAR, either Basel or regulatory, falls below 12%
Source: AB's data, Fitch calculations

AB's loss-absorption capacity has somewhat reduced (see Figure 7) due to fast growth, but is still acceptable, especially in light of the bank's low impairment. At the same time Fitch regards AB's capitalisation as only moderate because of the bank's significant exposure to the cyclicality of Azerbaijani economy. AB's pre-impairment profit (around 6% of end-2013 loans) provides a further loss-absorption buffer. AB can also ease capital pressure by fast deleveraging thanks to its short-term loan book. The agency's base case expectation is that AB's capital ratio will not fall below the minimum internal target of 15% in the short to medium run.

Funding and Liquidity

High Reliance on Wholesale Funding

AB is predominantly wholesale-funded (see Figure 8) and relies primarily on IFIs, shareholders, asset management and commercial funds (see Figure 10). Fitch is concerned about AB's significant reliance on funding from these institutions as such investors might prove flighty at times of stress. At the same time, the agency is satisfied that it is rather well diversified by lender and by maturity, with no expected lumpy repayments. This debt could potentially be refinanced/partially replaced by the bank's IFI owners, if needed. Additionally, the short-term structure of AB's loan book allows it to reduce exposure to refinancing risk rather quickly through deleveraging if significant stress of the debt markets occurs.

Figure 10

Funding Structure (%)

	End-2013	End-2012
Customers, incl	38.8	40.8
Term	29.9	30.5
Demand	8.9	10.3
Shareholders	10.1	19.0
Asset management/ commercial funds	19.0	28.7
IFIs	25.1	9.9
Due to banks	4.0	0.0
Other	3.1	1.7
Total	**100.0**	**100.0**
Equity/assets	14.5	19.6

Source: AB's data adapted by Fitch

Concentrated Customer Funding; Resilience to Liquidity Squeezes Not Tested

AB's customer funding is costly (average cost of customer deposits is 2pp higher than wholesale borrowings) and highly concentrated, which is natural for small CIS banks. The 20 largest customers represented a high 28% of end-8M13 customer funding. The funding is primarily sourced from affluent individuals and individual entrepreneurs. Although it proved sticky during the Q408-Q109 crisis, there are questions about its resilience in longer-term recessions. Nevertheless, AB has an advantage in the competition for funding as it exploits its image as the most prominent foreign bank in the country.

Solid Cash Generation Capacity and Fast-Amortising Loan Book Support Liquidity

At end-2013 AB's cushion of cash and short-term interbank placements was sufficient to withstand a 44% customer deposits outflow, and covered its refinancing needs for 2014 by 0.7x. However, average monthly proceeds from loan repayments equalling 15% of end-2013 customer funding provide an additional safety margin. The bank's ability to resort to the shareholders' financing in case of need is an additional liquidity risk factor (Annex 1, Figure 12).

Figure 11

Selected Funding and Liquidity Metrics

(%)	End-2013[a]	End-2012	End-2011	End-2010
Loans/customer deposits	294.70	245.64	203.88	216.10
Interbank assets/interbank liabilities	11.6	0.58	1.73	4.55
Customer deposits/total funding (excluding derivatives)	33.1	41.43	50.03	43.90

[a] Unaudited management accounts
Source: AB's data adapted by Fitch

Annex 1

Figure 12

Liquidity Position at End-2013

(AZNm)

Cash sources[a]	
Cash on hand	27.1
Correspondent accounts with central banks[b]	36.1
Correspondent accounts with other banks	47.5
Cash and cash equivalents	**110.7**
Due from other banks (short-term)	**0.4**
Total additional liquidity sources	**-**
Total available liquidity	**111.1**
Cash uses[a]	
Loans from banks	108.6
Syndicated loans	6.7
Subordinated debt	8.0
Wholesale/money markets debt repayments in next 12m	**123.4**
Total potential repayments to government related entities	**-**
Total repayments & other potential cash uses	**123.4**
Total available liquidity net of wholesale/money markets debt repayments in next 12m	**(12.3)**
Total available liquidity net of total potential cash uses	**(12.3)**
Total available liquidity/customer accounts (%)	44.0
Total available liquidity net of total potential cash uses/customer accounts[c] (%)	(4.8)
Average monthly proceeds from loan repayments[d]	37.7
Monthly proceeds from loan repayments/customer accounts (%)	14.9
Total customer accounts	

[a] Excluding loan issuance/repayments and other items
[b] Excluding restricted cash
[c] Customer accounts are net of Ministry of Finance/regional budgets/other non-core government deposits
[d] Bank estimate; Fitch conservatively excludes loan proceeds from calculation of liquid assets
Source: AB, Fitch estimates

Annex 2

Figure 13

Local GAAP Accounts (AZNm)

Balance Sheet	End-2013	(%)	End-2012	(%)	End-2011	(%)
Assets						
Cash	27.3	3.4	20.3	3.9	16.2	4.1
Due from CBA	36.1	4.5	11.3	2.2	7.6	1.9
- Including mandatory reserves	15.6	1.9	9.8	1.9	6.4	1.6
Due from other banks	47.7	5.9	29.9	5.7	17.4	4.5
Investments in securities	-	-	-	-	13.0	3.3
Gross loans	627.9	78.0	412.1	78.4	297.4	76.2
- Loan impairment reserve	-1.5	-0.2	-2.4	-0.5	-2.1	-0.5
Fixed assets	55.1	6.8	37.3	7.1	31.1	8.0
Foreclosed property	0.4	0.1	0.4	0.1	0.2	0.1
Intangible assets	3.7	0.5	7.9	1.5	4.1	1.1
Other assets	8.6	1.1	9.0	1.7	5.4	1.4
Total assets	**805.5**	**100.0**	**525.9**	**100.0**	**390.4**	**100.0**
Liabilities						
Current accounts of legal entities	21.4	3.2	16.1	3.9	12.2	4.1
Current accounts of individuals	38.6	5.7	26.6	6.4	21.8	7.3
Term deposits of legal entities	2.8	0.4	2.6	0.6	0.7	0.2
Term deposits of individuals	150.2	22.1	89.4	21.4	86.5	28.9
Due to banks	62.4	9.2	28.4	6.8	19.4	6.5
Other funding, incl:	350.5	51.6	229.6	55.1	136.9	45.8
- Due to foreign financial institutions	264.0	38.9	188.4	45.2	120.1	40.2
- Due to IFIs	86.4	12.7	41.2	9.9	16.8	5.6
Debt securities issued	18.0	2.7	8.0	1.9	8.0	2.7
Other liabilities	35.2	5.2	16.1	3.9	13.5	4.5
Total liabilities	**679.1**	**100.0**	**416.7**	**100.0**	**299.1**	**100.0**
Equity		**Change, (%)**		**Change, (%)**		
Share capital	85.0	-	85.0	*25.4*	67.8	
Retained earnings	29.1	*80.0*	*16.2*	*-9.1*	17.8	
- Including current year fin. result	27.2	*71.6*	*15.8*	*-9.7*	17.5	
General reserves	12.3	*53.2*	*8.0*	*40.4*	5.7	
Total equity	**126.4**	***15.7***	***109.2***	***19.6***	**91.3**	
Total liabilities and equity	**805.5**	***53.2***	***525.9***	***34.7***	**390.4**	
Profit and loss statement						
Interest income	123.9		91.4		84.8	
Interest expense	34.4		24.8		25.5	
Net interest income	89.5		66.6		59.4	
Net fee and commission income	13.7		9.5		1.2	
Other non-interest income	0.8		1.0		1.3	
Total operating income	**104.0**		**77.0**		**61.9**	
Payroll expense	38.9		32.2		25.4	
Other operating expenses	25.8		21.1		17.0	
Pre-impairment operating income	39.4		23.7		19.5	
Credit impairment	4.7		3.2		1.6	
Operating income before tax	34.7		20.4		17.9	
Tax charge	7.5		4.6		0.4	
Net income	27.2		15.8		17.5	

Source: AB, Fitch

Figure 14

Summary Analytics

(%)	End-2013	End-2012	End-2011
Profitability			
Interest income/average earning assets	22.18	23.74	51.76
Interest expense/average interest-bearing liabilities	4.24	4.71	12.07
Net interest margin	16.02	17.30	36.21
Non-interest income/gross revenue	13.93	13.54	4.11
Cost/income	62.16	69.28	68.51
Pre-impairment operating ROAA	5.91	5.17	9.99
Loan impairment charge/pre-impairment operating profit	11.96	13.62	8.00
Operating ROAE	29.42	20.40	39.29
Operating ROAA	5.21	4.46	9.19
ROAE	23.07	15.80	38.41
ROAA	4.08	3.46	8.98
Loan book and quality			
Loans/assets	77.77	77.91	75.63
Loan growth	52.35	38.60	
Retail loans/total loans	13.92	10.11	8.40
Loan impairment charge/average loans	0.90	0.91	1.05
NPLs/gross loans	0.36	0.63	0.76
LIR/gross loans	2.19	2.52	2.63
LIR/NPLs	609.8	397.3	345.2
Impaired loans less reserves for imp loans/equity	-6.49	-4.44	-3.57
Maximum LIR/gross loans	7.13	10.74	16.11
Liquidity and funding			
Liquid assets/total assets	11.85	9.84	8.92
Liquid assets/customer funding	44.81	38.42	28.74
Loans/customer deposits	294.70	305.95	245.30
Customer funding/total liabilities	31.37	32.32	40.53
Wholesale & money markets funding/total liabilities	63.44	63.82	54.95
Capitalisation			
Proxy FCC/risk-weighted risks	17.24	22.48	27.91
Equity/assets	15.69	20.76	23.39
Regulatory (CBU) Tier 1 ratio	11.89	17.05	19.76
Regulatory (CBU) total ratio	17.24	22.48	27.91
Fixed assets and intangibles/proxy FCC	49.18	44.62	39.30
USD1 = AZN	0.7845	0.7850	0.7865

Source: Local GAAP accounts of AB, Fitch

AccessBank

Income Statement

	31 Dec 2012			31 Dec 2011		31 Dec 2010		31 Dec 2009	
	Year End USDm Unqualified	Year End AZNm Unqualified	As % of Earning Assets	Year End AZNm Unqualified	As % of Earning Assets	Year End AZNm Unqualified	As % of Earning Assets	Year End AZNm Unqualified	As % of Earning Assets
1. Interest Income on Loans	126.4	99.2	24.48	84.4	27.48	86.9	29.42	66.3	25.49
2. Other Interest Income	0.3	0.2	0.05	0.4	0.13	0.8	0.27	1.6	0.62
3. Dividend Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Gross Interest and Dividend Income	**126.6**	**99.4**	**24.53**	**84.8**	**27.61**	**87.7**	**29.69**	**67.9**	**26.11**
5. Interest Expense on Customer Deposits	15.7	12.3	3.03	12.8	4.17	10.9	3.69	4.2	1.61
6. Other Interest Expense	15.9	12.5	3.08	12.7	4.14	14.7	4.98	14.4	5.54
7. Total Interest Expense	**31.6**	**24.8**	**6.12**	**25.5**	**8.30**	**25.6**	**8.67**	**18.6**	**7.15**
8. Net Interest Income	**95.0**	**74.6**	**18.41**	**59.3**	**19.31**	**62.1**	**21.02**	**49.3**	**18.95**
9. Net Gains (Losses) on Trading and Derivatives	0.5	0.4	0.10	0.5	0.16	0.7	0.24	0.4	0.15
10. Net Gains (Losses) on Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Net Gains (Losses) on Assets at FV through Income Statement	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Net Insurance Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Net Fees and Commissions	1.7	1.3	0.32	1.0	0.33	1.0	0.34	0.6	0.23
14. Other Operating Income	0.5	0.4	0.10	1.1	0.36	n.a.	-	n.a.	-
15. Total Non-Interest Operating Income	**2.7**	**2.1**	**0.52**	**2.6**	**0.85**	**1.7**	**0.58**	**1.0**	**0.38**
16. Personnel Expenses	41.3	32.4	7.99	25.5	8.30	21.0	7.11	16.4	6.31
17. Other Operating Expenses	26.5	20.8	5.13	17.4	5.67	14.5	4.91	11.4	4.38
18. Total Non-Interest Expenses	**67.8**	**53.2**	**13.13**	**42.9**	**13.97**	**35.5**	**12.02**	**27.8**	**10.69**
19. Equity-accounted Profit/ Loss - Operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
20. Pre-Impairment Operating Profit	**29.9**	**23.5**	**5.80**	**19.0**	**6.19**	**28.3**	**9.58**	**22.5**	**8.65**
21. Loan Impairment Charge	3.9	3.1	0.76	1.4	0.46	2.1	0.71	2.6	1.00
22. Securities and Other Credit Impairment Charges	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
23. Operating Profit	**26.0**	**20.4**	**5.03**	**17.6**	**5.73**	**26.2**	**8.87**	**19.9**	**7.65**
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
25. Non-recurring Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
26. Non-recurring Expense	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
27. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
28. Other Non-operating Income and Expenses	n.a.	n.a.	-	0.3	0.10	n.a.	-	n.a.	-
29. Pre-tax Profit	**26.0**	**20.4**	**5.03**	**17.9**	**5.83**	**26.2**	**8.87**	**19.9**	**7.65**
30. Tax expense	5.9	4.6	1.13	0.7	0.23	n.a.	-	n.a.	-
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
32. Net Income	**20.1**	**15.8**	**3.90**	**17.2**	**5.60**	**26.2**	**8.87**	**19.9**	**7.65**
33. Change in Value of AFS Investments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
34. Revaluation of Fixed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
35. Currency Translation Differences	n.a.	n.a.	-	n.a.	-	0.7	0.24	n.a.	-
36. Remaining OCI Gains/(losses)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
37. Fitch Comprehensive Income	**20.1**	**15.8**	**3.90**	**17.2**	**5.60**	**26.9**	**9.11**	**19.9**	**7.65**
38. Memo: Profit Allocation to Non-controlling Interests	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
39. Memo: Net Income after Allocation to Non-controlling Interests	20.1	15.8	3.90	17.2	5.60	26.2	8.87	19.9	7.65
40. Memo: Common Dividends Relating to the Period	n.a.	n.a.	-	6.4	2.08	5.0	1.69	n.a.	-
41. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Exchange rate	USD1 = AZN0.78500			USD1 = AZN0.78650		USD1 = AZN0.79790		USD1 = AZN0.80310	

AccessBank

Balance Sheet

	31 Dec 2012			31 Dec 2011		31 Dec 2010		31 Dec 2009	
	Year End USDm	Year End AZNm	As % of Assets	Year End AZNm	As % of Assets	Year End AZNm	As % of Assets	Year End AZNm	As % of Assets
Assets									
A. Loans									
1. Residential Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer/ Retail Loans	62.3	48.9	9.49	31.6	8.24	22.6	6.17	16.6	5.53
4. Corporate & Commercial Loans	224.6	176.3	34.21	122.7	31.99	108.5	29.64	n.a.	-
5. Other Loans	241.0	189.2	36.72	145.2	37.85	142.7	38.99	223.7	74.49
6. Less: Reserves for Impaired Loans/ NPLs	13.2	10.4	2.02	7.8	2.03	7.6	2.08	6.6	2.20
7. Net Loans	**514.6**	**404.0**	**78.40**	**291.7**	**76.04**	**266.2**	**72.73**	**233.7**	**77.82**
8. Gross Loans	**527.9**	**414.4**	**80.42**	**299.5**	**78.08**	**273.8**	**74.81**	**240.3**	**80.02**
9. Memo: Impaired Loans included above	3.7	2.9	0.56	2.4	0.63	3.0	0.82	2.0	0.67
10. Memo: Loans at Fair Value included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets									
1. Loans and Advances to Banks	1.7	1.3	0.25	2.4	0.63	7.0	1.91	26.4	8.79
2. Reverse Repos and Cash Collateral	n.a.	n.a.	-	5.0	1.30	n.a.	-	n.a.	-
3. Trading Securities and at FV through Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Available for Sale Securities	0.0	0.0	0.00	8.0	2.09	0.0	0.00	n.a.	-
6. Held to Maturity Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. At-equity Investments in Associates	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Other Securities	n.a.	n.a.	-	n.a.	-	0.5	0.14	n.a.	-
9. Total Securities	**0.0**	**0.0**	**0.00**	**13.0**	**3.39**	**0.5**	**0.14**	**n.a.**	**-**
10. Memo: Government Securities included Above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Memo: Total Securities Pledged	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Investments in Property	n.a.	n.a.	-	n.a.	-	21.7	5.93	n.a.	-
13. Insurance Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Other Earning Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
15. Total Earning Assets	**516.3**	**405.3**	**78.65**	**307.1**	**80.06**	**295.4**	**80.71**	**260.1**	**86.61**
C. Non-Earning Assets									
1. Cash and Due From Banks	76.6	60.1	11.66	38.7	10.09	58.2	15.90	30.0	9.99
2. Memo: Mandatory Reserves included above	12.0	9.4	1.82	6.3	1.64	0.4	0.11	n.a.	-
3. Foreclosed Real Estate	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Fixed Assets	47.5	37.3	7.24	31.1	8.11	9.4	2.57	7.1	2.36
5. Goodwill	0.0	0.0	0.00	n.a.	-	n.a.	-	n.a.	-
6. Other Intangibles	10.1	7.9	1.53	4.1	1.07	1.6	0.44	n.a.	-
7. Current Tax Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Deferred Tax Assets	0.0	0.0	0.00	n.a.	-	0.1	0.03	0.0	0.00
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Assets	6.0	4.7	0.91	2.6	0.68	1.3	0.36	3.1	1.03
11. Total Assets	**656.4**	**515.3**	**100.00**	**383.6**	**100.00**	**366.0**	**100.00**	**300.3**	**100.00**
Liabilities and Equity									
D. Interest-Bearing Liabilities									
1. Customer Deposits - Current	54.4	42.7	8.29	34.0	8.86	15.7	4.29	8.9	2.96
2. Customer Deposits - Savings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Customer Deposits - Term	160.5	126.0	24.45	112.9	29.43	111.0	30.33	58.9	19.61
4. Total Customer Deposits	**214.9**	**168.7**	**32.74**	**146.9**	**38.30**	**126.7**	**34.62**	**67.8**	**22.58**
5. Deposits from Banks	283.4	222.5	43.18	138.6	36.13	153.7	41.99	169.1	56.31
6. Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Other Deposits and Short-term Borrowings	10.1	7.9	1.53	n.a.	-	n.a.	-	n.a.	-
8. Total Deposits, Money Market and Short-term Funding	**508.4**	**399.1**	**77.45**	**285.5**	**74.43**	**280.4**	**76.61**	**236.9**	**78.89**
9. Senior Debt Maturing after 1 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Subordinated Borrowing	10.3	8.1	1.57	8.1	2.11	8.2	2.24	8.2	2.73
11. Other Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Total Long Term Funding	**10.3**	**8.1**	**1.57**	**8.1**	**2.11**	**8.2**	**2.24**	**8.2**	**2.73**
13. Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Trading Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
15. Total Funding	**518.7**	**407.2**	**79.02**	**293.6**	**76.54**	**288.6**	**78.85**	**245.1**	**81.62**
E. Non-Interest Bearing Liabilities									
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Reserves for Pensions and Other	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Current Tax Liabilities	1.9	1.5	0.29	0.3	0.08	0.1	0.03	n.a.	-
5. Deferred Tax Liabilities	0.5	0.4	0.08	0.3	0.08	n.a.	-	n.a.	-
6. Other Deferred Liabilities	0.1	0.1	0.02	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Insurance Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Liabilities	14.4	11.3	2.19	4.1	1.07	2.8	0.77	2.2	0.73
10. Total Liabilities	**535.7**	**420.5**	**81.60**	**298.3**	**77.76**	**291.5**	**79.64**	**247.3**	**82.35**
F. Hybrid Capital									
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
G. Equity									
1. Common Equity	120.8	94.8	18.40	85.3	22.24	74.5	20.36	53.0	17.65
2. Non-controlling Interest	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Securities Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fixed Asset Revaluations and Other Accumulated OCI	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Total Equity	**120.8**	**94.8**	**18.40**	**85.3**	**22.24**	**74.5**	**20.36**	**53.0**	**17.65**
7. Total Liabilities and Equity	**656.4**	**515.3**	**100.00**	**383.6**	**100.00**	**366.0**	**100.00**	**300.3**	**100.00**
8. Memo: Fitch Core Capital	n.a.	n.a.	-	81.2	21.17	72.9	19.92	51.0	16.98
9. Memo: Fitch Eligible Capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Exchange rate		USD1 = AZN0.78500		USD1 = AZN0.78650		USD1 = AZN0.79790		USD1 = AZN0.80310	

AccessBank

Summary Analytics

	31 Dec 2012 Year End	31 Dec 2011 Year End	31 Dec 2010 Year End	31 Dec 2009 Year End
A. Interest Ratios				
1. Interest Income on Loans/ Average Gross Loans	27.79	29.42	33.80	32.48
2. Interest Expense on Customer Deposits/ Average Customer Deposits	7.79	9.41	11.20	9.38
3. Interest Income/ Average Earning Assets	27.91	27.94	31.57	31.00
4. Interest Expense/ Average Interest-bearing Liabilities	7.08	9.00	9.59	9.23
5. Net Interest Income/ Average Earning Assets	20.94	19.54	22.35	22.51
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	20.07	19.08	21.60	21.32
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	20.94	19.54	22.35	22.51
B. Other Operating Profitability Ratios				
1. Non-Interest Income/ Gross Revenues	2.74	4.20	2.66	1.99
2. Non-Interest Expense/ Gross Revenues	69.36	69.31	55.64	55.27
3. Non-Interest Expense/ Average Assets	11.84	11.68	10.65	11.25
4. Pre-impairment Op. Profit/ Average Equity	26.08	23.57	44.36	52.08
5. Pre-impairment Op. Profit/ Average Total Assets	5.23	5.17	8.49	9.11
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	13.19	7.37	7.42	11.56
7. Operating Profit/ Average Equity	22.64	21.84	41.07	46.06
8. Operating Profit/ Average Total Assets	4.54	4.79	7.86	8.05
9. Taxes/ Pre-tax Profit	22.55	3.91	n.a.	n.a.
10. Pre-Impairment Operating Profit / Risk Weighted Assets	n.a.	n.a.	9.42	9.14
11. Operating Profit / Risk Weighted Assets	n.a.	n.a.	8.72	8.08
C. Other Profitability Ratios				
1. Net Income/ Average Total Equity	17.54	21.34	41.07	46.06
2. Net Income/ Average Total Assets	3.52	4.68	7.86	8.05
3. Fitch Comprehensive Income/ Average Total Equity	17.54	21.34	42.16	46.06
4. Fitch Comprehensive Income/ Average Total Assets	3.52	4.68	8.07	8.05
5. Net Income/ Av. Total Assets plus Av. Managed Securitized Assets	3.52	n.a.	7.86	n.a.
6. Net Income/ Risk Weighted Assets	n.a.	n.a.	8.72	8.08
7. Fitch Comprehensive Income/ Risk Weighted Assets	n.a.	n.a.	8.95	8.08
D. Capitalization				
1. Fitch Core Capital/Weighted Risks	n.a.	n.a.	24.27	20.71
2. Fitch Eligible Capital/ Weighted Risks	n.a.	n.a.	n.a.	n.a.
3. Tangible Common Equity/ Tangible Assets	17.13	21.40	20.01	17.65
4. Tier 1 Regulatory Capital Ratio	n.a.	n.a.	24.80	21.60
5. Total Regulatory Capital Ratio	22.48	28.90	28.20	26.20
6. Core Tier 1 Regulatory Capital Ratio	n.a.	n.a.	n.a.	n.a.
7. Equity/ Total Assets	18.40	22.24	20.36	17.65
8. Cash Dividends Paid & Declared/ Net Income	n.a.	37.21	19.08	n.a.
9. Cash Dividend Paid & Declared/ Fitch Comprehensive Income	n.a.	37.21	18.59	n.a.
10. Cash Dividends & Share Repurchase/Net Income	n.a.	n.a.	n.a.	n.a.
11. Net Income - Cash Dividends/ Total Equity	16.67	12.66	28.46	37.55
E. Loan Quality				
1. Growth of Total Assets	34.33	4.81	21.88	54.87
2. Growth of Gross Loans	38.36	9.39	13.94	43.21
3. Impaired Loans(NPLs)/ Gross Loans	0.70	0.80	1.10	0.83
4. Reserves for Impaired Loans/ Gross loans	2.51	2.60	2.78	2.75
5. Reserves for Impaired Loans/ Impaired Loans	358.62	325.00	253.33	330.00
6. Impaired Loans less Reserves for Imp Loans/ Equity	(7.91)	(6.33)	(6.17)	(8.68)
7. Loan Impairment Charges/ Average Gross Loans	0.87	0.49	0.82	1.27
8. Net Charge-offs/ Average Gross Loans	0.14	0.42	0.43	1.22
9. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	0.70	0.80	1.10	0.83
F. Funding				
1. Loans/ Customer Deposits	245.64	203.88	216.10	354.42
2. Interbank Assets/ Interbank Liabilities	0.58	1.73	4.55	15.61
3. Customer Deposits/ Total Funding excl Derivatives	41.43	50.03	43.90	27.66

AccessBank
Reference Data

	31 Dec 2012			31 Dec 2011		31 Dec 2010		31 Dec 2009	
	Year End USDm	Year End AZNm	As % of Assets	Year End AZNm	As % of Assets	Year End AZNm	As % of Assets	Year End AZNm	As % of Assets
A. Off-Balance Sheet Items									
1. Managed Securitized Assets Reported Off-Balance Sheet	0.0	0.0	0.00	n.a.	-	0.0	0.00	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	0.5	0.4	0.08	0.7	0.18	n.a.	-	n.a.	-
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Committed Credit Lines	3.3	2.6	0.50	0.8	0.21	n.a.	-	n.a.	-
6. Other Contingent Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Total Business Volume	660.3	518.3	100.58	385.1	100.39	366.0	100.00	300.3	100.00
8. Memo: Total Weighted Risks	n.a.	n.a.	-	n.a.	-	300.4	82.08	250.7	83.48
9. Fitch Adjustments to Weighted Risks.	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Fitch Adjusted Weighted Risks	n.a.	n.a.	-	n.a.	-	300.4	82.08	250.7	83.48
B. Average Balance Sheet									
Average Loans	454.8	357.0	69.28	286.9	74.79	257.1	70.25	204.1	67.97
Average Earning Assets	453.8	356.2	69.12	303.5	79.12	277.8	75.90	219.0	72.93
Average Assets	572.6	449.5	87.23	367.2	95.72	333.2	91.04	247.1	82.28
Average Managed Securitized Assets (OBS)	0.0	0.0	0.00	n.a.	-	0.0	0.00	n.a.	-
Average Interest-Bearing Liabilities	446.4	350.4	68.00	283.3	73.85	266.9	72.92	201.6	67.13
Average Common equity	114.8	90.1	17.48	80.6	21.01	63.8	17.43	43.2	14.39
Average Equity	114.8	90.1	17.48	80.6	21.01	63.8	17.43	43.2	14.39
Average Customer Deposits	201.0	157.8	30.62	136.0	35.45	97.3	26.58	44.8	14.92
C. Maturities									
Asset Maturities:									
Loans & Advances < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans and Advances 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances > 5 years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Liability Maturities:									
Retail Deposits < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 1- 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Senior Debt on Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Covered Bonds	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 1- 5 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Subordinated Debt on Balance Sheet	10.3	8.1	1.57	8.1	2.11	8.2	2.24	8.2	2.73
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Equity Reconciliation									
1. Equity	120.8	94.8	18.40	85.3	22.24	74.5	20.36	53.0	17.65
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Add: Other Adjustments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Equity	120.8	94.8	18.40	85.3	22.24	74.5	20.36	53.0	17.65
E. Fitch Eligible Capital Reconciliation									
1. Total Equity as reported (including non-controlling interests)	120.8	94.8	18.40	85.3	22.24	74.5	20.36	53.0	17.65
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	n.a.	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
4. Goodwill	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
5. Other intangibles	10.1	7.9	1.53	4.1	1.07	1.6	0.44	2.0	0.67
6. Deferred tax assets deduction	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
7. Net asset value of insurance subsidiaries	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
9. Fitch Core Capital	**n.a.**	**n.a.**	**-**	**81.2**	**21.17**	**72.9**	**19.92**	**51.0**	**16.98**
10. Eligible weighted Hybrid capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Government held Hybrid Capital	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
12. Fitch Eligible Capital	**n.a.**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**
Exchange Rate	USD1 = AZN0.78500			USD1 = AZN0.78650		USD1 = AZN0.79790		USD1 = AZN0.80310	

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.