

AccessBank

Update

Ratings

Foreign Currency

Long-Term IDR	BBB-
Short-Term IDR	F3

Viability Rating	bb-
Support Rating	2

Sovereign Risk

Foreign-Currency Long-Term IDR	BBB-
Local-Currency Long-Term IDR	BBB-
Country Ceiling	BBB-

Outlooks

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

Financial Data

AccessBank

	31 Dec 2014	31 Dec 2013
Total assets (USDm)	1,328.7	1,006.5
Total assets (AZNm)	1,042.2	789.6
Total equity (AZNm)	145.4	114.1
Operating profit (AZNm)	54.2	34.4
Net income (AZNm)	43.0	27.2
Operating ROAA ^a (%)	5.9	5.3
Operating ROAE ^b (%)	41.8	32.9
FCC ratio ^c (%)	18.3	18.7
Total regulatory capital ratio ^d (%)	16.3	17.2

^a Return on Average Assets

^b Return on Average Equity

^c Fitch Core Capital/Basel risk-weighted assets

^d According to prudential accounts

Key Rating Drivers

Support-Driven IDR: AccessBank's (AB) ratings reflect the high probability that AB would receive support from its international financial institution (IFI) shareholders. This view is based on: the IFIs' strategic commitment to microfinance lending in developing markets; the IFIs' direct ownership of AB, stemming from their participation as founding shareholders; the significant integration of IFI guidelines into AB's risk management; and Fitch Ratings' understanding that a full exit of the IFIs from the bank in the coming years is relatively unlikely.

Reasonable Stand-Alone Profile: AB's 'bb-' Viability Rating (VR) reflects the bank's extended track record of sound financial metrics in the structurally weak Azerbaijani economy, which is now on the negative side of the credit cycle due to the sharp drop in oil prices. Fitch expects some asset quality and profitability pressure in the near term, although AB's reasonable capital and liquidity positions, coupled with strong management and governance, contribute to its resilience to potential deterioration in the operating environment.

Capital Hurt by Devaluation: Fitch estimates that AB's Fitch Core Capital ratio fell by 3.6pp in February 2015 (from 18.3% at end-2014) due to local-currency devaluation. The reported regulatory capital adequacy ratio was also down, to 14% at end-February 2015, but may be supported by an anticipated USD25m subordinated debt contribution from its shareholder, the International Finance Corporation, in April-May 2015. Fitch does not expect material capital consumption, as AB's loan growth in 2015 is likely to be modest.

Decent Asset Quality, Pressure Likely: At end-2014, AB's reported non-performing loans (NPLs, 30+ days overdue) were a still low 0.8% of gross loans. Restructured loans and write-offs added a further 0.5% and 0.2%, respectively. Downside risks stem from the high dollarisation of AB's balance sheet, as FX-denominated loans comprised a substantial 57% of the total portfolio at end-2014.

Robust Profitability, Downside Risks: Fitch calculates that AB's pre-impairment profit equalled 7% of the average gross loan portfolio in 2014, providing an adequate cushion for a moderate uplift in impairment charges. Pre-impairment performance may be affected by growing funding costs and additional hedging costs, as deposits have been converting into foreign currency.

Liquidity Healthy; Refinancing Moderate: AB's reliance on wholesale funding is high, with a loans/deposits ratio of 2.4x at end-2014, while liquid assets slightly exceeded short-term refinancing needs. Nonetheless, Fitch views refinancing risks as moderate due to the role of development institutions as suppliers of funding and AB's fast loan turnover.

Rating Sensitivities

Sovereign Downgrade: A lowering of Azerbaijan's Country Ceiling (currently 'BBB-') would result in a downgrade of AB. However, AB's IDR will not be upgraded if the Ceiling is raised.

Weakening Support: Pressure on AB's IDRs and Support Rating could also stem from a weakening of the IFIs' support stance or the development of more concrete plans for the potential future disposal of the bank. However Fitch views these scenarios as unlikely.

Operating Environment: Near-term upside potential for AB's VR is limited and would probably require notable improvements in the operating environment. The VR could be downgraded if the magnitude of asset quality/profitability pressure goes beyond Fitch's expectations.

Related Research

[AccessBank - Ratings Navigator \(December 2014\)](#)

[Azerbaijan \(March 2015\)](#)

[Fitch: Azerbaijan Currency Devaluation to Hurt Banks' Capital \(February 2015\)](#)

[Fitch Upgrades Azerbaijani Accessbank to 'BBB-'; Outlook Stable \(December 2014\)](#)

[2015 Outlook: CIS and Georgian Banks \(December 2014\)](#)

Analysts

Dmitri Vasiliev
+7 495 956 5576
dmitri.vasiliev@fitchratings.com

Ruslan Bulatov
+7 495 956 9982
ruslan.bulatov@fitchratings.com

Figure 1
Performance Relative to Peers

(%)	AccessBank (BBB-/Stable; bb-)			ProCredit Bank (Bulgaria) AD (BBB-/Stable; bb-)		ProCredit Bank (Georgia) (BB/Positive; bb-)			ProCredit Bank (Macedonia) (BBB-/Stable; b+)		
	2014	2013	2012	2013	2012	1H14	2013	2012	9M14	2013	2012
Franchise and sector data^a											
Country	Azerbaijan			Bulgaria		Georgia			Macedonia		
IDR/Outlook/Watch	BBB-/Stable			BBB-/Stable		BB-/Positive			BB+/Stable		
Country Ceiling	BBB-			BBB+		BB			BBB-		
% of sector assets	4.4	3.9	2.9	1.6	1.6	5.5	6.0	7.3	4.3	4.5	4.3
Profitability^b											
Net interest margin	16.4	18.3	19.7	6.6	6.8	9.5	9.2	10.3	6.2	6.5	6.7
Net interest/total operating income	91.6	91.4	91.4	75.8	72.3	81.5	80.9	82.7	85.4	76.6	84.4
Cost/income ratio	60.2	62.3	69.2	69.7	66.0	60.3	66.6	65.8	60.9	71.4	71.9
Cost/average assets	8.5	9.8	11.8	4.9	5.2	5.1	5.5	5.9	3.6	5.1	4.7
Provisioning charge/pre-impairment operating profit	-5.4	10.9	13.6	17.2	39.0	23.3	21.1	19.5	40.9	44.6	50.9
ROAA	4.7	4.2	3.5	1.6	1.5	2.2	1.9	2.1	1.4	1.1	0.9
ROAE	33.1	26.0	17.5	13.3	13.0	15.3	13.5	15.6	14.0	11.7	9.8
Loan book and quality											
Net loans/assets	78.7	78.2	78.4	74.3	75.3	71.5	66.4	67.6	74.9	73.9	73.4
Loan growth	31.5	52.1	38.4	4.6	1.1	4.9	-2.3	7.0	7.8	10.1	12.8
Generated NPLs ^c /average performing loans ^b	0.8	0.3	n.a	1.1	n.a	0.2	1.4	n.a	0.6	0.6	n.a
Pre-impairment profit/average performing loans	7.1	7.4	n.a	3.0	n.a	4.8	4.0	n.a	2.9	2.8	n.a
Credit costs/average loans ^b	-0.5	0.8	0.9	0.5	1.3	1.1	0.8	0.9	1.2	1.2	1.2
NPLs/gross loans	0.8	0.4	0.6	4.8	5.5	1.9	1.8	1.3	2.2	1.7	1.9
LIR/gross loans	1.1	2.1	2.5	3.5	4.1	2.0	2.9	2.6	3.9	3.4	3.1
Liquidity and funding											
Liquid assets ^d /total assets	13.4	12.0	10.0	14.3	13.0	11.5	16.4	16.6	18.7	20.1	18.8
Loans/customer deposits	246.1	241.4	245.6	117.8	116.4	136.0	125.4	136.3	119.7	117.9	120.8
Capitalisation											
Equity/assets	14.0	14.5	18.4	12.5	11.6	13.6	13.9	13.8	9.9	9.6	9.3
Fitch core capital/risk-weighted assets	18.3	18.7	18.8	16.0	14.6	15.4	16.3	17.0	12.0	12.3	11.1
Total assets (USDm)	1,328.7	1,006.5	656.4	967.4	907.1	579.7	600.6	635.5	359.2	369.1	323.6
Total equity (USDm)	185.4	145.4	120.8	120.7	105.6	78.7	83.7	87.7	35.6	35.5	30.1

^a Sector data is sourced from national banks and bank regulators and is adapted by Fitch

^b Annualised when applicable

^c Non-performing loans; loans 30+ days overdue

^d Cash (excluding mandatory reserves), due from banks and unpledged liquid securities

Source: Bank's data and public IFRS and prudential accounts adapted by Fitch, Central Bank of Russia, Fitch

Related Criteria

[Global Bank Rating Criteria \(March 2015\)](#)

Figure 2
Loan Quality

(AZNm unless otherwise stated)	Gross loans	Performing loans	Loan impairment reserves	Net loans	NPLs 30+	Restructured loans ^a	Gross written-off loans	NPLs 30+ (% of gross loans)	Restructured loans (% of gross loans)	Loan impairment reserves (% of gross loans)	NPL origination (NPLΔ plus write-offs)	NPL origination (% of average performing loans)
At end-2014 and for 2014												
SME loans (>USD30,000)	350.8	346.6	5.9	344.9	4.2	n.a	0.9	1.2	n.a	1.7	3.7	1.2
Micro loans (<USD30,000)	361.3	359.2	2.7	358.6	2.1	n.a	0.5	0.6	n.a	0.8	1.7	0.5
Retail loans	116.8	116.3	0.5	116.3	0.5	n.a	0.2	0.5	n.a	0.4	0.4	0.4
Total loan book	828.9	822.1	9.1	819.8	6.8	4.5	1.6	0.8	0.5	1.1	5.8	0.8
At end-2013 and for 2013												
SME loans (>USD30,000)	259.9	258.5	5.4	254.5	1.4	n.a	1.1	0.5	n.a	2.1	0.9	0.4
Micro loans (<USD30,000)	280.5	279.6	5.9	274.6	0.9	n.a	0.5	0.3	n.a	2.1	0.5	0.2
Retail loans	90.0	89.7	1.9	88.1	0.3	n.a	-	0.3	n.a	2.1	0.2	0.3
Total loan book	630.4	627.8	13.2	617.2	2.6	3.0	1.6	0.4	0.5	2.1	1.6	0.3

^a Excluding NPL 30+ loans

Source: IFRS accounts, management data, Fitch's estimates

AccessBank
Income Statement

	31 Dec 2014			31 Dec 2013		31 Dec 2012		31 Dec 2011	
	Year End USDm	Year End AZNm	As % of Earning Assets	Year End AZNm	As % of Earning Assets	Year End AZNm	As % of Earning Assets	Year End AZNm	As % of Earning Assets
	Unqualified	Unqualified		Unqualified		Unqualified		Unqualified	
1. Interest Income on Loans	216.2	169.6	20.69	127.8	20.70	94.6	23.37	84.4	27.48
2. Other Interest Income	0.3	0.2	0.02	0.1	0.02	0.2	0.05	0.4	0.13
3. Dividend Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Gross Interest and Dividend Income	216.5	169.8	20.71	127.9	20.71	94.8	23.42	84.8	27.61
5. Interest Expense on Customer Deposits	30.7	24.1	2.94	16.3	2.64	12.3	3.04	12.8	4.17
6. Other Interest Expense	35.2	27.6	3.37	18.0	2.91	12.5	3.09	12.7	4.14
7. Total Interest Expense	65.9	51.7	6.31	34.3	5.55	24.8	6.13	25.5	8.30
8. Net Interest Income	150.6	118.1	14.41	93.6	15.16	70.0	17.29	59.3	19.31
9. Net Gains (Losses) on Trading and Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	0.5	0.16
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	11.7	9.2	1.12	7.3	1.18	4.9	1.21	1.0	0.33
14. Other Operating Income	2.2	1.7	0.21	1.5	0.24	1.7	0.42	1.1	0.36
15. Total Non-Interest Operating Income	13.9	10.9	1.33	8.8	1.43	6.6	1.63	2.6	0.85
16. Personnel Expenses	65.0	51.0	6.22	39.6	6.41	32.8	8.10	25.5	8.30
17. Other Operating Expenses	33.9	26.6	3.24	24.2	3.92	20.2	4.99	17.4	5.67
18. Total Non-Interest Expenses	98.9	77.6	9.47	63.8	10.33	53.0	13.09	42.9	13.97
19. Equity-accounted Profit/ Loss - Operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
20. Pre-Impairment Operating Profit	65.5	51.4	6.27	38.6	6.25	23.6	5.83	19.0	6.19
21. Loan Impairment Charge	(4.5)	(3.5)	(0.43)	3.9	0.63	3.1	0.77	1.4	0.46
22. Securities and Other Credit Impairment Charges	0.9	0.7	0.09	0.3	0.05	0.1	0.02	n.a.	-
23. Operating Profit	69.1	54.2	6.61	34.4	5.57	20.4	5.04	17.6	5.73
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.	-	n.a.	-	n.a.	-	0.3	0.10
29. Pre-tax Profit	69.1	54.2	6.61	34.4	5.57	20.4	5.04	17.9	5.83
30. Tax expense	14.3	11.2	1.37	7.2	1.17	4.6	1.14	0.7	0.23
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
32. Net Income	54.8	43.0	5.25	27.2	4.40	15.8	3.90	17.2	5.60
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.	-	n.a.	-	n.a.	-
36. Remaining OCI Gains/(losses)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
37. Fitch Comprehensive Income	54.8	43.0	5.25	27.2	4.40	15.8	3.90	17.2	5.60
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	54.8	43.0	5.25	27.2	4.40	15.8	3.90	17.2	5.60
40. Memo: Common Dividends Related to the Period	15.0	11.8	1.44	7.9	1.28	6.4	1.58	6.4	2.08
41. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Exchange rate

USD1 = AZN0.78440

USD1 = AZN0.78450

USD1 = AZN0.78500

USD1 = AZN0.78650

AccessBank
Balance Sheet

	31 Dec 2014			31 Dec 2013		31 Dec 2012		31 Dec 2011	
	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	37.7	29.6	2.84	17.4	2.20	6.0	1.16	n.a.	-
3. Other Consumer/ Retail Loans	95.0	74.5	7.15	62.1	7.86	35.7	6.93	31.6	8.24
4. Corporate & Commercial Loans	447.2	350.8	33.66	259.9	32.92	176.3	34.21	122.7	31.99
5. Other Loans	476.8	374.0	35.89	291.0	36.85	196.4	38.11	145.2	37.85
6. Less: Reserves for Impaired Loans	11.6	9.1	0.87	13.2	1.67	10.4	2.02	7.8	2.03
7. Net Loans	1,045.1	819.8	78.66	617.2	78.17	404.0	78.40	291.7	76.04
8. Gross Loans	1,056.7	828.9	79.53	630.4	79.84	414.4	80.42	299.5	78.08
9. Memo: Impaired Loans included above ^a	8.7	6.8	0.65	2.6	0.33	2.6	0.50	2.3	0.60
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	n.a.	n.a.	-	0.3	0.04	0.8	0.16	2.4	0.63
2. Reverse Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	5.0	1.30
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	0.0	0.00	0.0	0.00	8.0	2.09
6. Held to Maturity Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Equity Investments in Associates	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Total Securities	0.0	0.0	0.00	0.0	0.00	0.0	0.00	13.0	3.39
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.	-	n.a.	-	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	1,045.1	819.8	78.66	617.5	78.20	404.8	78.56	307.1	80.06
C. Non-Earning Assets									
1. Cash and Due From Banks	196.2	153.9	14.77	110.4	13.98	60.6	11.76	38.7	10.09
2. Memo: Mandatory Reserves included above	18.4	14.4	1.38	15.6	1.98	9.9	1.92	6.3	1.64
3. Foreclosed Real Estate	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Fixed Assets	54.6	42.8	4.11	45.5	5.76	37.3	7.24	31.1	8.11
5. Goodwill	n.a.	n.a.	-	0.0	0.00	0.0	0.00	n.a.	-
6. Other Intangibles	26.6	20.9	2.01	13.4	1.70	7.9	1.53	4.1	1.07
7. Current Tax Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Deferred Tax Assets	n.a.	n.a.	-	0.2	0.03	0.0	0.00	n.a.	-
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Assets	6.1	4.8	0.46	2.6	0.33	4.7	0.91	2.6	0.68
11. Total Assets	1,328.7	1,042.2	100.00	789.6	100.00	515.3	100.00	383.6	100.00
Liabilities and Equity									
D. Interest-Bearing Liabilities									
1. Customer Deposits - Current	102.0	80.0	7.68	59.9	7.59	42.8	8.31	34.0	8.86
2. Customer Deposits - Savings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Customer Deposits - Term	327.4	256.8	24.64	201.2	25.48	125.9	24.43	112.9	29.43
4. Total Customer Deposits	429.4	336.8	32.32	261.1	33.07	168.7	32.74	146.9	38.30
5. Deposits from Banks	2.5	2.0	0.19	27.2	3.44	n.a.	-	138.6	36.13
6. Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Other Deposits and Short-term Borrowings	343.6	269.5	25.86	119.4	15.12	61.2	11.88	n.a.	-
8. Total Deposits, Money Market and Short-term Funding	775.5	608.3	58.37	407.7	51.63	229.9	44.61	285.5	74.43
9. Senior Debt Maturing after 1 Year	314.8	246.9	23.69	238.9	30.26	169.2	32.84	n.a.	-
10. Subordinated Borrowing	20.4	16.0	1.54	8.1	1.03	8.1	1.57	8.1	2.11
11. Other Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Total Long Term Funding	335.2	262.9	25.23	247.0	31.28	177.3	34.41	8.1	2.11
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	1,110.7	871.2	83.59	654.7	82.92	407.2	79.02	293.6	76.54
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	6.0	4.7	0.45	4.5	0.57	1.5	0.29	0.3	0.08
5. Deferred Tax Liabilities	0.6	0.5	0.05	n.a.	-	0.4	0.08	0.3	0.08
6. Other Deferred Liabilities	n.a.	n.a.	-	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	26.0	20.4	1.96	16.3	2.06	11.4	2.21	4.1	1.07
10. Total Liabilities	1,143.3	896.8	86.05	675.5	85.55	420.5	81.60	298.3	77.76
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	185.4	145.4	13.95	114.1	14.45	94.8	18.40	85.3	22.24
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	185.4	145.4	13.95	114.1	14.45	94.8	18.40	85.3	22.24
7. Total Liabilities and Equity	1,328.7	1,042.2	100.00	789.6	100.00	515.3	100.00	383.6	100.00
8. Memo: Fitch Core Capital	158.7	124.5	11.95	100.5	12.73	86.9	16.86	81.2	21.17
9. Memo: Fitch Eligible Capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-

^a Loans 30+ days overdue
Exchange rate

USD1 = AZN0.78440

USD1 = AZN0.78450

USD1 = AZN0.78500

USD1 = AZN0.78650

AccessBank Summary Analytics

	31 Dec 2014	31 Dec 2013	31 Dec 2012	31 Dec 2011
	Year End	Year End	Year End	Year End
A. Interest Ratios				
1. Interest Income on Loans/ Average Gross Loans	23.24	24.46	26.50	29.42
2. Interest Expense on Customer Deposits/ Average Customer Deposits	8.06	7.58	7.79	9.41
3. Interest Income/ Average Earning Assets	23.63	25.02	26.63	27.94
4. Interest Expense/ Average Interest-bearing Liabilities	6.78	6.46	7.08	9.00
5. Net Interest Income/ Average Earning Assets	16.43	18.31	19.66	19.54
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	16.92	17.55	18.79	19.08
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	16.43	18.31	19.66	19.54
B. Other Operating Profitability Ratios				
1. Non-Interest Income/ Gross Revenues	8.45	8.59	8.62	4.20
2. Non-Interest Expense/ Gross Revenues	60.16	62.30	69.19	69.31
3. Non-Interest Expense/ Average Assets	8.47	9.78	11.79	11.68
4. Pre-impairment Op. Profit/ Average Equity	39.60	36.94	26.19	23.57
5. Pre-impairment Op. Profit/ Average Total Assets	5.61	5.92	5.25	5.17
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	(5.45)	10.88	13.56	7.37
7. Operating Profit/ Average Equity	41.76	32.92	22.64	21.84
8. Operating Profit/ Average Total Assets	5.92	5.27	4.54	4.79
9. Taxes/ Pre-tax Profit	20.66	20.93	22.55	3.91
10. Pre-Impairment Operating Profit / Risk Weighted Assets	7.56	7.18	5.11	5.59
11. Operating Profit / Risk Weighted Assets	7.97	6.40	4.42	5.18
C. Other Profitability Ratios				
1. Net Income/ Average Total Equity	33.13	26.03	17.54	21.34
2. Net Income/ Average Total Assets	4.69	4.17	3.52	4.68
3. Fitch Comprehensive Income/ Average Total Equity	33.13	26.03	17.54	21.34
4. Fitch Comprehensive Income/ Average Total Assets	4.69	4.17	3.52	4.68
5. Net Income/ Av. Total Assets plus Av. Managed Securitized Assets	n.a.	4.17	3.52	n.a.
6. Net Income/ Risk Weighted Assets	6.33	5.06	3.42	5.06
7. Fitch Comprehensive Income/ Risk Weighted Assets	6.33	5.06	3.42	5.06
D. Capitalization				
1. Fitch Core Capital/ Risk Weighted Assets	18.32	18.70	18.83	23.89
2. Fitch Eligible Capital/ Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
3. Tangible Common Equity/ Tangible Assets	12.19	12.95	17.13	21.40
4. Tier 1 Basel I Capital Ratio	21.40	21.20	25.80	n.a.
5. Total Basel I Capital Ratio	24.50	22.80	28.20	27.71
6. Core Tier 1 Basel I Capital Ratio	n.a.	n.a.	n.a.	n.a.
7. Equity/ Total Assets	13.95	14.45	18.40	22.24
8. Cash Dividends Paid & Declared/ Net Income	27.44	29.04	40.51	37.21
9. Cash Dividend Paid & Declared/ Fitch Comprehensive Income	27.44	29.04	40.51	37.21
10. Cash Dividends & Share Repurchase/Net Income	n.a.	n.a.	n.a.	n.a.
11. Internal Capital Generation	21.46	16.91	9.92	12.66
E. Loan Quality				
1. Growth of Total Assets	31.99	53.23	34.33	4.81
2. Growth of Gross Loans	31.49	52.12	38.36	9.39
3. Impaired Loans/ Gross Loans	0.82	0.41	0.63	0.77
4. Reserves for Impaired Loans/ Gross Loans	1.10	2.09	2.51	2.60
5. Reserves for Impaired Loans/ Impaired Loans	133.82	507.69	400.00	339.13
6. Impaired loans less Reserves for Impaired Loans/ Fitch Core Capital	(1.85)	(10.55)	(8.98)	(6.77)
7. Impaired Loans less Reserves for Impaired Loans/ Equity	(1.58)	(9.29)	(8.23)	(6.45)
8. Loan Impairment Charges/ Average Gross Loans	(0.48)	0.75	0.87	0.49
9. Net Charge-offs/ Average Gross Loans	0.07	0.19	0.14	0.42
10. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Asset	0.82	0.41	0.63	0.77
F. Funding and Liquidity				
1. Loans/ Customer Deposits	246.11	241.44	245.64	203.88
2. Interbank Assets/ Interbank Liabilities	n.a.	1.10	n.a.	1.73
3. Customer Deposits/ Total Funding (excluding derivatives)	38.66	39.88	41.43	50.03
4. Liquidity Coverage Ratio	n.a.	n.a.	n.a.	n.a.
5. Net Stable Funding Ratio	n.a.	n.a.	n.a.	n.a.

AccessBank
Reference Data

	31 Dec 2014			31 Dec 2013		31 Dec 2012		31 Dec 2011	
	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	n.a.	n.a.	-	0.0	0.00	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	8.8	6.9	0.66	1.8	0.23	0.4	0.08	0.7	0.18
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Committed Credit Lines	16.6	13.0	1.25	8.3	1.05	2.6	0.50	0.8	0.21
6. Other Contingent Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Total Business Volume	1,354.0	1,062.1	101.91	799.7	101.28	518.3	100.58	385.1	100.39
8. Memo: Risk Weighted Assets	866.5	679.7	65.22	537.3	68.05	461.5	89.56	339.9	88.61
9. Fitch Adjustments to Risk Weighted Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Fitch Adjusted Risk Weighted Assets	866.5	679.7	65.22	537.3	68.05	461.5	89.56	339.9	88.61
B. Average Balance Sheet									
Average Loans	930.3	729.7	70.02	522.4	66.16	357.0	69.28	286.9	74.79
Average Earning Assets	916.2	718.7	68.96	511.2	64.74	356.0	69.09	303.5	79.12
Average Assets	1,167.6	915.9	87.88	652.5	82.64	449.5	87.23	367.2	95.72
Average Managed Securitized Assets (OBS)	n.a.	n.a.	-	0.0	0.00	0.0	0.00	n.a.	-
Average Interest-Bearing Liabilities	972.7	763.0	73.21	531.0	67.25	350.4	68.00	283.3	73.85
Average Common equity	165.5	129.8	12.45	104.5	13.23	90.1	17.48	80.6	21.01
Average Equity	165.5	129.8	12.45	104.5	13.23	90.1	17.48	80.6	21.01
Average Customer Deposits	381.2	299.0	28.69	214.9	27.22	157.8	30.62	136.0	35.45
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.	-
Loans & Advances to Banks < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances to Banks 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances to Banks 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances to Banks > 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.	-
Deposits from Banks < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks > 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	20.4	16.0	1.54	8.1	1.03	8.1	1.57	8.1	2.11
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Equity Reconciliation									
1. Equity	185.4	145.4	13.95	114.1	14.45	94.8	18.40	85.3	22.24
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	185.4	145.4	13.95	114.1	14.45	94.8	18.40	85.3	22.24
E. Fitch Eligible Capital Reconciliation									
1. Total Equity as reported (including non-controlling interests)	185.4	145.4	13.95	114.1	14.45	94.8	18.40	85.3	22.24
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	0.0	0.0	0.00	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	26.6	20.9	2.01	13.4	1.70	7.9	1.53	4.1	1.07
6. Deferred tax assets deduction	0.0	0.0	0.00	0.2	0.03	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	158.7	124.5	11.95	100.5	12.73	86.9	16.86	81.2	21.17
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 = AZN0.78440

USD1 = AZN0.78450

USD1 = AZN0.78500

USD1 = AZN0.78650

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

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: [HTTP://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](http://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEB SITE AT WWW.FITCHRATINGS.COM. PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE. FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF THIS SERVICE FOR RATINGS FOR WHICH THE LEAD ANALYST IS BASED IN AN EU-REGISTERED ENTITY CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH WEBSITE.

Copyright © 2015 by Fitch, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved. In issuing and maintaining its ratings, Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

The information in this report is provided "as is" without any representation or warranty of any kind. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion is based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at anytime for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.