

## MAIN INDICATORS OF FINANCIAL ORGANIZATIONS

### MAIN INDICATORS OF ARMENIAN COMMERCIAL BANKS AND THEIR CHANGE<sup>1</sup>

(mln drams)

| Indicators                                          | 30.11.09       | 31.12.09       | (31.12.09) - (30.11.09) |
|-----------------------------------------------------|----------------|----------------|-------------------------|
| Core capital                                        | 250850         | 261587         | 10738                   |
| Statutory fund                                      | 184791         | 188641         | 3850                    |
| Profit/loss <sup>2</sup>                            | 57851          | 64738          | 6888                    |
| of which:                                           |                |                |                         |
| Profit (loss) of the reporting period               | 1747           | 8577           | 6830                    |
| Interest income                                     | 102986         | 114724         | 11739                   |
| Interest expenses                                   | 48219          | 52925          | 4706                    |
| Non-interest income                                 | 27271          | 31746          | 4476                    |
| Non-interest expenses                               | 53663          | 59602          | 5938                    |
| Other expenses <sup>5</sup>                         | 26658          | 25396          | -1261                   |
| <b>Total liabilities<sup>3</sup></b>                | <b>1005070</b> | <b>1047580</b> | <b>42510</b>            |
| of which:                                           |                |                |                         |
| Correspondent accounts of banks                     | 7376           | 6531           | -845                    |
| Other liabilities to banks (including CBA)          | 179942         | 211233         | 31291                   |
| Liabilities to other financial institutions         | 87482          | 87384          | -98                     |
| Demand liabilities to legal entities and households | 239390         | 252480         | 13089                   |
| Time deposits of legal entities and households      | 372417         | 374313         | 1896                    |
| <b>Total assets<sup>4</sup></b>                     | <b>1266455</b> | <b>1325963</b> | <b>59509</b>            |
| of which:                                           |                |                |                         |
| Cash                                                | 64096          | 64673          | 577                     |
| Correspondent accounts with banks (including CBA)   | 264251         | 274858         | 10607                   |
| Other claims on banks (including CBA)               | 59828          | 67603          | 7774                    |
| Claims on other financial institutions              | 15040          | 16598          | 1558                    |
| Government securities <sup>5</sup>                  | 106718         | 109191         | 2473                    |
| o/w: securities issued by the CBA                   |                |                |                         |
| Other securities                                    | 7334           | 4331           | -3003                   |
| Loans to legal entities and households              | 678427         | 703366         | 24939                   |
| <b>Loan investments</b>                             | <b>711305</b>  | <b>756287</b>  | <b>44982</b>            |
| of which:                                           |                |                |                         |
| Standard                                            | 658581         | 719963         | 61382                   |
| Watched                                             | 26101          | 14875          | -11225                  |
| Non-standard                                        | 11838          | 10104          | -1734                   |
| Doubtful                                            | 14785          | 11345          | -3440                   |
| <b>Number of banks</b>                              | <b>22</b>      | <b>22</b>      |                         |

<sup>1</sup> Including profit (loss) of the previous and current periods.

<sup>2</sup> Data comprise net assets provisioning and profit tax.

<sup>3</sup> Excludes liabilities on securities purchased through repo agreements. Includes liabilities to the Government, interest payable and other liabilities.

<sup>4</sup> Data comprise total balance sheet assets of banks which also include tangible assets and other claims, interest receivable. Total assets are reduced by the amount of liabilities on securities purchased through repo agreements.

<sup>5</sup> Includes securities purchased and sold through repos.

### MAIN PRUDENTIAL STANDARDS FOR BANKING

%

| Indicators                                                       | Actual indicators<br>30.11.09 | Actual indicators<br>31.12.09 | Minimum<br>standards set by<br>the CBA |
|------------------------------------------------------------------|-------------------------------|-------------------------------|----------------------------------------|
| S1 <sup>1</sup> (total capital to risk weighted assets ratio)    | 28.78                         | 28.43                         | 12                                     |
| S2 <sup>1</sup> (high liquid assets to total assets ratio)       | 35.07                         | 34.44                         | 20                                     |
| S2 <sup>2</sup> (high liquid assets to demand liabilities ratio) | 147.26                        | 140.82                        | 60                                     |

**MAIN INDICATORS AND PRUDENTIAL STANDARDS OF ARMENIAN CREDIT ORGANIZATIONS AND THEIR CHANGE**

*(mln drams)*

| Indicators                                               | 30.11.09       | 31.12.09       | (31.12.09) - (30.11.09) |
|----------------------------------------------------------|----------------|----------------|-------------------------|
| Core capital                                             | 25624.7        | 26159.4        | 534.7                   |
| Statutory fund                                           | 19425.9        | 19799.7        | 373.7                   |
| Profit / loss <sup>1</sup>                               | 5751.4         | 5903.9         | 152.4                   |
| of which:                                                |                |                |                         |
| Profit (loss) within reporting period                    | 2425.6         | 2589.9         | 164.3                   |
| Interest income                                          | 9615.7         | 10546.9        | 931.2                   |
| Interest expenses                                        | 3010.9         | 3291.7         | 280.8                   |
| Non-interest income                                      | 3479.6         | 3768.3         | 288.6                   |
| Non-interest expenses                                    | 4385.1         | 4976.2         | 591.1                   |
| Net assets provisioning                                  | 2793.8         | 2784.6         | -9.1                    |
| Other expenses <sup>2</sup>                              | 3273.7         | 672.7          | -2600.9                 |
| <b>Total liabilities <sup>3</sup></b>                    | <b>47871.6</b> | <b>49573.4</b> | <b>1701.8</b>           |
| of which:                                                |                |                |                         |
| Funds attracted from banks                               | 20371.7        | 20357.4        | -14.4                   |
| Funds attracted from other financial institutions        | 11854.3        | 11535.3        | -319.0                  |
| Demand liabilities to legal entities and natural persons | 141.1          | 147.4          | 6.3                     |
| Term liabilities to legal entities and natural persons   | 11440.8        | 11395.1        | -45.8                   |
| <b>Total assets <sup>4</sup></b>                         | <b>73582.0</b> | <b>75822.8</b> | <b>2240.9</b>           |
| of which:                                                |                |                |                         |
| Cash                                                     | 280.3          | 663.7          | 383.4                   |
| Bank accounts                                            | 2833.0         | 3146.9         | 314.0                   |
| Other claims on banks                                    | 15268.7        | 15650.3        | 381.6                   |
| Claims on other financial institutions                   | 307.3          | 542.9          | 235.6                   |
| Loans                                                    | 44966.4        | 45011.1        | 44.7                    |
| Financial lease                                          | 5525.5         | 5285.2         | -240.3                  |
| Government securities                                    | 1190.6         | 2131.2         | 940.6                   |
| Other securities                                         | 3.7            | 3.7            | 0.0                     |
| <b>Loans</b>                                             | <b>59286.3</b> | <b>59830.2</b> | <b>543.9</b>            |
| of which:                                                |                |                |                         |
| Standard                                                 | 56483.5        | 57292.0        | 808.5                   |
| Watched                                                  | 1676.3         | 1468.7         | -207.5                  |
| Non-standard                                             | 677.5          | 575.8          | -101.6                  |
| Doubtful                                                 | 449.1          | 493.6          | 44.6                    |

**TOTAL CAPITAL ADEQUACY STANDARD OF CREDIT ORGANIZATIONS**

%

| Indicator                                                                  | 30.11.09 | 31.12.09 | Limit  |
|----------------------------------------------------------------------------|----------|----------|--------|
| S1 <sup>1</sup> (total capital to risk weighted assets ratio) <sup>5</sup> | 34.8     | 34.9     | 2 - 10 |

<sup>1</sup> Includes profit (loss) of the previous and current periods.

<sup>2</sup> Data comprise profit tax.

<sup>3</sup> Data comprise balance sheet total liabilities of credit organizations, where liabilities to Government, interest payable and other liabilities are included. Do not include liabilities on securities purchased through repo agreements.

<sup>4</sup> Data comprise total balance sheet assets of credit organizations which also include tangible assets and other claims, interest receivables. Total assets are reduced by the amount of liabilities on securities purchased through repo agreements.

<sup>5</sup> Calculation of standard S1<sup>1</sup> includes only data on those credit organizations that attract borrowings through public offers under their charters.

**MAIN INDICATORS OF ARMENIAN INSURANCE COMPANIES AND THEIR CHANGE**

*(thousand drams)*

| <b>Indicators</b>                                          | <b>30.11.09</b> | <b>31.12.09</b> | <b>(31.12.09) – (30.11.09)</b> |
|------------------------------------------------------------|-----------------|-----------------|--------------------------------|
| Funds                                                      | 36167           | 237736          | 201568                         |
| Bank accounts                                              | 1527067         | 1774955         | 247888                         |
| Amounts receivable within insurance                        | 2025676         | 1761011         | -264666                        |
| Claims on indemnity                                        | 171796          | 165127          | -6669                          |
| Current deposits and other investments                     | 8187457         | 8957124         | 769667                         |
| Non-current deposits and other investments                 | 922087          | 1635264         | 713177                         |
| Loaning                                                    | 668234          | 132401          | -535833                        |
| Securities                                                 | 1150943         | 1242928         | 91984                          |
| Receivables                                                | 587208          | 564828          | -22381                         |
| Fixed assets                                               | 631451          | 624126          | -7324                          |
| Reserves for unrecovered losses                            | -344371         | -310953         | 33418                          |
| Other assets                                               | 175602          | 179425          | 3823                           |
| <b>Total assets</b>                                        | <b>15739318</b> | <b>16963971</b> | <b>1224653</b>                 |
| Dram                                                       | 8014232         | 6937079         | -1077153                       |
| Foreign currency                                           | 7725086         | 10026892        | 2301806                        |
| Insurance indemnity                                        | 25744           | 20154           | -5590                          |
| Amounts to co-insurers, re-insurers                        | 1328561         | 1578822         | 250261                         |
| Current borrowings and loans                               | 0               | 0               | 0                              |
| Insurance reserves                                         | 2556279         | 2719246         | 162967                         |
| Unearned insurance premiums reserve                        | 1976007         | 2050727         | 74720                          |
| Reserve for claims                                         | 504143          | 536059          | 31916                          |
| Mathematic reserve                                         | 0               | 0               | 0                              |
| Other reserves                                             | 76128           | 132460          | 56331                          |
| Payables on budget and mandatory social insurance premiums | 172287          | 104922          | -67365                         |
| Non-current borrowings and loans                           | 0               | 0               | 0                              |
| Other liabilities                                          | 1653964         | 254871          | -1399093                       |
| <b>Total liabilities</b>                                   | <b>5736835</b>  | <b>4678015</b>  | <b>-1058820</b>                |
| Dram                                                       | 4648762         | 3325376         | -1323387                       |
| Foreign currency                                           | 1088073         | 1352639         | 264566                         |
| Statutory fund                                             | 7954365         | 10938236        | 2983871                        |
| Undistributed profit/loss for current period               | 1472511         | 776372          | -696139                        |
| Undistributed profit/loss for previous period              | 336133          | 336133          | 0                              |
| Other                                                      | 239475          | 235216          | -4260                          |
| <b>Total equity capital</b>                                | <b>10002484</b> | <b>12285956</b> | <b>2283472</b>                 |

*(thousand drams)*

| <b>Indicators</b>                       | <b>30.11.09</b> | <b>31.12.09</b> | <b>(31.12.09) – (30.11.09)</b> |
|-----------------------------------------|-----------------|-----------------|--------------------------------|
| Insurance amount                        | 3418293057      | 3386641769      | -31651288                      |
| Gross insurance premiums                | 7130921         | 8102644         | 971723                         |
| Insurance premiums to re-insurer        | 3489853         | 4035883         | 546030                         |
| Gross insurance indemnity               | 1743713         | 1900684         | 156971                         |
| Share of insurer in insurance indemnity | 847751          | 890610          | 42859                          |

**NUMBER AND STRUCTURE OF FINANCIAL ORGANIZATIONS**

|                                                                              | 2008 | 2009 |      |      |      |      |      |      |      |      |      |      |      |
|------------------------------------------------------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|
|                                                                              | D    | J    | F    | M    | A    | M    | J    | J    | A    | S    | O    | N    | D    |
| Number of banks                                                              | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   |
| Number of banks by their organizational form                                 | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   |
| Open joint stock companies                                                   | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    |
| Closed joint stock companies                                                 | 18   | 18   | 18   | 18   | 18   | 18   | 18   | 18   | 18   | 18   | 18   | 18   | 18   |
| LTD                                                                          | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    |
| Cooperative                                                                  | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    |
| With foreign equity participation                                            | 21   | 21   | 21   | 21   | 21   | 21   | 21   | 21   | 21   | 21   | 21   | 21   | 21   |
| including over 50%                                                           | 12   | 12   | 12   | 12   | 12   | 12   | 13   | 13   | 13   | 13   | 13   | 13   | 13   |
| including over 95%                                                           | 10   | 10   | 10   | 10   | 10   | 10   | 10   | 10   | 10   | 10   | 10   | 10   | 10   |
| Share of foreign participants in bank statutory fund (in %)                  | 67.7 | 67.7 | 67.4 | 67.4 | 67.4 | 68.0 | 69.2 | 68.4 | 68.8 | 70.4 | 71.1 | 70.8 | 71.4 |
| Number of credit organizations                                               | 24   | 25   | 25   | 25   | 25   | 25   | 26   | 26   | 26   | 27   | 27   | 26   | 27   |
| With foreign equity participation                                            | 15   | 15   | 15   | 15   | 15   | 15   | 15   | 15   | 15   | 14   | 14   | 14   | 15   |
| including over 50%                                                           | 10   | 10   | 10   | 11   | 11   | 11   | 11   | 11   | 11   | 10   | 10   | 10   | 10   |
| including over 95%                                                           | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 8    | 8    | 8    | 8    |
| Share of foreign participants in credit organizations' statutory fund (in %) | 65.6 | 65.8 | 65.8 | 67.2 | 67.9 | 67.9 | 67.3 | 40.8 | 35.1 | 43.4 | 41.7 | 41.7 | 46.5 |
| Number of insurance companies                                                | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   |
| o/w with life insurance license                                              | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    |
| o/w with non-life insurance license                                          | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   |
| With foreign equity participation                                            | 8    | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    |
| including over 50%                                                           | 6    | 7    | 7    | 7    | 7    | 7    | 7    | 7    | 7    | 7    | 7    | 7    | 7    |
| including over 95%                                                           | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    |
| Insurance brokers                                                            | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    |
| Investment services providing entities in the securities market <sup>1</sup> | 32   | 32   | 32   | 31   | 31   | 31   | 31   | 30   | 30   | 30   | 30   | 30   | 30   |
| o/w: investment services providing entity (bank)                             | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   | 22   |
| o/w: investment services providing company                                   | 10   | 10   | 10   | 9    | 9    | 9    | 9    | 8    | 8    | 8    | 8    | 8    | 8    |
| Number of reporting issue companies                                          | 16   | 18   | 19   | 18   | 18   | 19   | 19   | 19   | 19   | 19   | 20   | 20   | 19   |
| Number of pawn shops                                                         | 70   | 71   | 70   | 71   | 75   | 80   | 89   | 101  | 104  | 106  | 109  | 109  | 117  |
| Licensed within the period                                                   | 3    | 1    | 2    | 1    | 5    | 7    | 9    | 12   | 4    | 2    | 4    | 1    | 10   |
| With license declared null within the period                                 | 1    | 0    | 3    | 0    | 1    | 2    | 0    | 0    | 1    | 0    | 1    | 1    | 2    |
| Number of currency exchange offices <sup>2</sup>                             | 238  | 245  | 232  | 230  | 248  | 246  | 242  | 244  | 245  | 247  | 245  | 253  | 250  |
| Licensed within the period                                                   | 1    | 1    | 0    | 0    | 1    | 2    | 2    | 3    | 0    | 0    | 2    | 1    | 4    |
| With license declared null within the period                                 | 2    | 0    | 0    | 0    | 0    | 1    | 1    | 1    | 1    | 0    | 0    | 1    | 0    |
| Number of currency dealers                                                   | 1    | 1    | 1    | 1    | 1    | 2    | 2    | 2    | 2    | 4    | 4    | 4    | 4    |
| Money transferring organizations                                             | 11   | 11   | 10   | 10   | 10   | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 10   |

<sup>1</sup> According to the RA law "On Securities Market", the professional participants of the security market have been re-licensed for investment services providing entities as of June 30, 2008.

<sup>2</sup> Including exchange offices in operation and their branches.