

# Open Joint Stock Company "International Bank of Azerbaijan"

## Interim Condensed Consolidated Statement of Comprehensive Income for the 1st half of 2016 (in thousands of Azerbaijan Manats, unless otherwise indicated)

	Note	1 <sup>st</sup> half 2016	1 <sup>st</sup> half 2015
Interest income	19	223,807	359,366
Interest expense	19	(277,403)	(264,858)
<b>Net interest (expense)/income before impairment losses on interest bearing assets</b>		(53,596)	94,508
Initial recognition adjustment on interest bearing assets and liabilities		7,987	-
Impairment losses on interest bearing assets	14	(19,958)	(328,274)
<b>Net interest expense</b>		(65,567)	(233,766)
Net gain/(loss) on financial assets at fair value through profit or loss		2,299	(2,420)
Gains from trading in foreign currencies		46,827	16,718
Foreign exchange translation losses		(72,861)	(11,505)
Fee and commission income	19	63,663	64,065
Fee and commission expense		(6,711)	(9,202)
Other provisions	14	(5,293)	(5,229)
Impairment of property and equipment		(127,774)	-
Other operating income		3,683	5,036
<b>Net non-interest (expense)/income</b>		<b>(96,167)</b>	<b>57,463</b>
<b>Operating losses</b>		<b>(161,734)</b>	<b>(176,303)</b>
Operating expenses	19	(81,800)	(65,448)
<b>Loss before income tax</b>		<b>(243,534)</b>	<b>(241,751)</b>
Income tax		(79,270)	44,822
<b>Net loss for the period</b>		<b>(322,804)</b>	<b>(196,929)</b>
Attributable to:			
Owners of the Parent		(323,276)	(196,817)
Non-controlling interest		472	(112)
		(322,804)	(196,929)
Loss per share			
Basic (AZN)		(0.14)	(0.09)
Diluted (AZN)		(0.14)	(0.09)
OTHER COMPREHENSIVE (LOSS)/INCOME:			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Exchange differences on translating foreign operations		(21,354)	(18,921)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD		(21,354)	(18,921)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(344,158)	(215,850)
ATTRIBUTABLE TO:			
Owners of the Parent		(344,638)	(216,066)
Non-controlling interest		480	216
		(344,158)	(215,850)

On behalf of the Board of Directors:

Mr. Elmar Mammadov  
Chairman of the Board of Directors

Mr. Ulvi Mansurov  
Chief Financial Officer

Baku, the Republic of Azerbaijan  
October 28, 2016

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The notes on pages 9-26 form an integral part of this consolidated condensed interim financial information.