

## Financial Soundness Indicators of banking system of the Republic of Tajikistan

| Indicators (1)  | 2012   | 2013  | 2014   | 2015   | 2016   | 2017   | Mar-18 | Jun-18 | Sep-18 |
|---|--------|-------|--------|--------|--------|--------|--------|--------|--------|
| <b>1. Capital adequacy</b>                                    |        |       |        |        |        |        |        |        |        |
| Regulatory capital to risk-weighted assets                    | 26,8%  | 22,9% | 16,6%  | 13,1%  | 17,0%  | 22,9%  | 23,7%  | 23,2%  | 22,6%  |
| Regulatory Tier 1 capital to risk-weighted assets             | 24,1%  | 21,2% | 14,2%  | 10,6%  | 26,7%  | 28,1%  | 29,2%  | 29,1%  | 29,1%  |
| <b>2. Asset quality (2)</b>                                   |        |       |        |        |        |        |        |        |        |
| Nonperforming loans net of provisions to regulatory capital   | 5,3%   | 22,7% | 38,6%  | 66,7%  | 105,5% | 36,6%  | 30,2%  | 28,4%  | 29,0%  |
| Nonperforming loans to total gross loans                      | 9,0%   | 13,6% | 21,2%  | 26,3%  | 47,6%  | 36,5%  | 34,3%  | 32,6%  | 32,4%  |
| <b>3. Earnings and profitability</b>                          |        |       |        |        |        |        |        |        |        |
| Return on assets (ROA) (3)                                    | 0,9%   | 2,2%  | -2,5%  | 0,8%   | -2,8%  | 0,5%   | 1,4%   | 1,7%   | 2,0%   |
| Return on equity (ROE) (3)                                    | 4,4%   | 10,7% | -14,4% | 5,5%   | -21,0% | 1,7%   | 5,3%   | 6,4%   | 7,3%   |
| Interest margin to gross income                               | 37,2%  | 47,2% | 40,6%  | 52,2%  | 63,7%  | 65,2%  | 64,3%  | 59,3%  | 59,8%  |
| Noninterest expenses to gross income                          | 75,5%  | 65,1% | 63,6%  | 63,7%  | 131,4% | 61,7%  | 75,0%  | 65,7%  | 62,3%  |
| <b>4. Liquidity</b>   |        |       |        |        |        |        |        |        |        |
| Liquid assets to total assets                                 | 29,2%  | 22,8% | 20,0%  | 24,1%  | 30,9%  | 30,1%  | 32,0%  | 31,6%  | 31,5%  |
| Liquid assets to short-term liabilities                       | 84,9%  | 81,1% | 75,8%  | 70,4%  | 83,9%  | 73,8%  | 81,5%  | 77,8%  | 76,7%  |
| <b>5. Sensitivity to market risk</b>                          |        |       |        |        |        |        |        |        |        |
| Net open position in foreign exchange to regulatory capital   | -0,1%  | -2,6% | 1,7%   | -17,3% | -10,0% | -9,5%  | -14,7% | -12,7% | -8,3%  |
| <b>6. Additional</b>  |        |       |        |        |        |        |        |        |        |
| Capital to total assets                                       | 21,3%  | 19,6% | 14,8%  | 12,1%  | 25,5%  | 26,6%  | 27,0%  | 27,1%  | 27,0%  |
| Large exposures to regulatory capital                         | 55,2%  | 79,1% | 80,1%  | 139,9% | 132,0% | 72,2%  | 58,7%  | 62,3%  | 65,2%  |
| Trading income to total income                                | 24,8%  | 22,6% | 25,5%  | 11,9%  | -6,5%  | 11,2%  | 12,1%  | 16,6%  | 18,4%  |
| Personnel expenses to noninterest expenses                    | 51,3%  | 56,1% | 54,7%  | 56,8%  | 55,3%  | 56,9%  | 59,2%  | 59,2%  | 59,3%  |
| Customer deposits to gross customer loans                     | 104,6% | 76,9% | 71,2%  | 78,6%  | 96,4%  | 111,8% | 114,8% | 114,6% | 115,4% |
| Foreign-currency-denominated loans to total gross loans       | 68,3%  | 62,5% | 62,5%  | 65,3%  | 63,8%  | 61,0%  | 58,2%  | 58,1%  | 57,0%  |
| Foreign-currency-denominated liabilities to total liabilities | 67,8%  | 67,0% | 65,6%  | 70,0%  | 67,1%  | 60,3%  | 57,5%  | 56,8%  | 54,0%  |

(1) All indicators calculated according to Compilation Guide for Financial Soundness Indicators (by IMF).

(2) Nonperforming loans including customer and interbank loans - overdue more than 30 days.

(3) Annualized net income before tax to average assets or capital