

Accompanying notes to the consolidated financial statements as of 31.03.20

6. Net Interest And Similar Income

Interest And Similar Income	Current period	Previous period
Interest income from bank's current accounts, deposits and loans to banks and other financial institutions	46,275	127,101
Interest income from loans and advances to customers	9,227,424	7,196,129
Interest income from finance lease	482,089	380,245
Interest income from debt securities	322,085	388,290
Interest income from repurchase agreements	187,627	30,617
Income from factoring, creditline	642,950	537,099
Other interest income	26,337	33,623
Total	10,934,787	8,693,104

Interest And Similar Expense	Current period	Previous period
Interest expense on bank's current accounts, deposits and loans borrowed from banks and other financial institutions	2,048,558	1,798,732
Interest expense on term deposits and current accounts of customers	2,654,581	2,235,440
Interest expense on securities issued from bank	82,067	90,356
Interest expense on repurchase agreements	1,123	3,359
Other interest expense	95,696	86,690
Total	4,882,025	4,214,577

Net Interest And Similar Income	6,052,762	4,478,527
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7. Commission and Other Fee Income and Expense

Commission and Other Fee Income	Current period	Previous period
Cash withdrawal services	35,589	29,514
Settlement services	312,841	313,453
Guarantees and letters of credits, accreditation management operations fee	65,495	15,392
Finance lease payments	25,724	29,431
Plastic card maintenance	649,529	578,911
Other commission fee	18,746	23,546
Total	1,107,924	990,247

Commission and Other Fee Expense	Current period	Previous period
Settlement operations / wire transfer fee	72,313	62,995
Cash withdrawal services	80,000	49,002
Plastic card maintenance	339,838	313,431
Other commission fee	3,653	2,671
Total	495,805	428,099

Received Net Commission and Other Fee	612,120	562,147
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8. Net Trading Income

	Current period	Previous period
Net income from trading in foreign currencies	393,189	278,267
Net income from revaluation of foreign currency	-404,313	-839,798
Net income from trading in investments at fair value through other comprehensive income, including:		
Net income from change of investments at fair value through other comprehensive income		
Net income from trading in investments at fair value through other comprehensive income		
Net income from change of investments at fair value through other comprehensive income	515,998	1,156,794
Net income from trading in standardized bullions of precious metals and coins		
Net income from revaluation of standardized bullions of precious metals and coins		
Total	504,874	595,263

8.1. Other Operating Income

	Current period	Previous period
Net income from alienation of property, plant, equipment and other intangible assets	-798	-20,229
Fines and penalties received	346,281	357,650
Other income	55,642	73,137
Total	401,125	410,558

9. Impairment losses

Cash on hand

According to IFRS 9	Group I
Amount at the beginning of the current period 01.01.20	6,284
Net provisions	-987
Return	
Written off	0
Amount at the end of the current period 31.03.20	5,297

Amounts Due From Banks and Financial Institutions

According to IFRS 9	Group I
Amount at the beginning of the current period 01.01.20	28,889
Net provisions	-1,717
Return	
Written off	0
Amount at the end of the current period 31.03.20	27,172

Loans and advances to customers

According to IFRS 9	Group I	Group II	Group III	Initially depreciated	Total
Amount at the beginning of the current period 01.01.20	1,011,542	108,606	6,194,604	227,007	7,541,759
New assets originated or purchased	870,684	-	-	-	870,684
Assets repaid	(38,330)	(5,171)	(927,705)	-	(971,206)
Transfer to Group I	21,514	(21,514)	-	-	-
Transfer to Group II	(30,338)	30,338	-	-	-
Transfer to Group III	(643,385)	(64,190)	707,575	-	-
Impact on period end ECL of exposures transferred between stages during the period	(11,791)	167,736	712,545	-	868,490
Unwinding of discount	-	-	76,150	-	76,150
Changes to models and inputs used for ECL calculations	464,750	19,386	150,118	(227,007)	407,247
Recoveries	0	-	880,877	-	880,877
Written off	-	-	(1,357,578)	-	(1,357,578)
Foreign exchange adjustments	12,837	2,219	202,032	-	217,088
Amount at the end of the current period 31.03.20	1,657,483	237,410	6,638,618	0	8,533,511

Lease

According to IFRS 9	Group I	Group II	Group III	Initially depreciated	Total
Amount at the beginning of the current period 01.01.20	44,718	5,172	74,386	-	124,276
New assets originated or purchased	7,653	-	-	-	7,653
Assets repaid	(473)	-	10,884	-	10,411
Transfer to Group I	1,481	(1,481)	-	-	-
Transfer to Group II	(2,164)	2,164	-	-	-
Transfer to Group III	(4)	(3,571)	3,575	-	-
Impact on period end ECL of exposures transferred between stages during the period	(1,334)	5,752	22,260	-	26,678
Changes to models and inputs used for ECL calculations	-5,399	86	2,879	0	(2,434)
Recoveries	0	0	0	0	0
Written off	0	0	-29,884	0	(29,884)
Foreign exchange adjustments	936	36	73	0	1,045
Amount at the end of the current period 31.03.20	45,414	8,158	84,173	0	137,745

Investments

According to IFRS 9	Group I
Amount at the beginning of the current period 01.01.20	216,674
Transfer to Stage I	-365
Transfer to Stage II	
Transfer to Stage III	
Recoveries	
Written off	
Amount at the end of the current period 31.03.20	216,309

Off Balance Sheet Items, Including Credit Risk

According to IFRS 9	Group I	Group II	Group III	Total
Amount at the beginning of the current period 01.01.20	111,568	2,343	3,615	117,526
New assets originated or purchased	16,240	-	-	16,240
Assets repaid	(9,247)	(158)	(1,314)	(10,719)
Transfer to Stage I	1,864	(1,864)	-	-
Transfer to Stage II	(682)	682	-	-
Transfer to Stage III	(395)	(292)	687	-
Impact on period end ECL of exposures transferred between stages during the period	(871)	2,364	1,530	3,022
Changes to models and inputs used for ECL calculations	55,942	95	275	56,311
Recoveries	-	-	-	-
Written off	-	-	-	-
Foreign exchange adjustments	4,027	83	71	4,182
Amount at the end of the current period 31.03.20	178,446	3,253	4,862	186,562

10. General Administrative Expenses

	Current period	Previous period
Wages and salaries	2,849,547	2,542,197

Social insurance contributions	885	783
Repairs and maintenance expenses of tangible assets	170,700	178,573
Business trip expenses	32,961	19,767
Transport, connection and communication expenses	83,134	77,411
Lease expenses	9,063	12,006
Taxes other than on income	61,744	28,508
Consulting and other service expenses	13,311	15,701
Security expenses	76,348	91,209
Office supplies	56,888	48,030
Training costs	21,352	12,020
Insurance expenses	36,759	31,251
Total	3,412,692	3,057,456

10.1 Other Operating Expenses

	Current period	Previous period
Advertising costs	173,148	129,790
Penalties paid	226	13
Amortization costs of property, plant, equipment and other intangible assets	537,527	344,160
Cash collection expenses	34,481	28,522
Insurance expenses of deposits	124,128	81,948
Other expenses	400,073	559,678
Total	1,269,583	1,144,111

11. Net Profit/(Loss) From Investments in Controlled Entities

Net Income From Investments in Controlled Entities	Current period	Previous period
Investments in associates	76,552	45,543
Investments in joint controlled entities		
Investments in subsidiary banks		
Investments in other subsidiary entities		
Total	76,552	45,543

12. Income Tax Expense

	Current period	Previous period
Income tax expense	(233,534)	(262,850)
Any adjustments recognised in the period for current tax of prior periods		
Deferred tax expenses	(66,419)	
Current Income Tax	(299,953)	(262,850)

Deferred Tax Base for Taxable Temporary Differences

	Balance as of the previous period	Recognised in reported results	Recognised in equity	Balance as of the current period
Loans and advances to banks and financial institutions and	5,075			5,075
Lease receivables	9,496			9,496
Other borrowed funds	7,004			7,004
Other liabilities	3,419			3,419
Other assets	263			263
Other financial instruments	2,644			2,644
Net deferred tax asset	27,901	-	-	27,901
	Մնացորդը նախորդ	Ֆինանսական	Սեփական	Մնացորդը հաշվետու
Loans and advances to banks and financial institutions and	173,225			173,225
Loans and advances to customers	360,982	54,671		415,653
Other liabilities	(107,038)	(121,090)		(228,128)
Investments in associates	25,720			25,720
Current accounts and deposits from customers	(81,250)			(81,250)
Property, Plant and Equipment	(391,821)			(391,821)
Investments at fair value through other comprehensive income	(587,774)			(587,774)
Other assets	57,083			57,083
Other financial instruments	28,983			28,983
Net deferred tax liability	(521,910)	(66,419)	-	(588,329)

Earnings Per Share

	Current period	Previous period
Net Profit/(loss) after taxes	1,166,218	1,243,890
The quantity of ordinary shares	2,500	2,500
Earnings Per Share	466	498

13. Cash On Hand

<i>13.1 Cash and cash equivalents, remainings in CB</i>	Current period	Previous period
Cash on hand	7,798,049	11,838,316
Other distributions of cash	4,430,106	4,811,327
Current accounts in CBA	37,222,566	41,704,517
Deposits in CBA	463,500	562,000
Interest accrued on current accounts and deposits of CB		
Impairment losses	(5,297)	(6,284)
Total	49,908,924	58,909,876
<i>Cash flow including cash on hand and accounts in CBA</i>	<i>41,548,830</i>	<i>51,260,396</i>
<i>Distributed funds in other banks (Note 14)</i>	<i>17,505,740</i>	<i>4,654,855</i>
Total cash and cash equivalents	59,054,570	55,915,251

14. Amounts Due From Banks and Other Financial Institutions

<i>Current accounts</i>	Current period	Previous period
Requirements towards the banks of Ra	3,282	3,179
Requirements towards the high rating banks: BBB-(Baa3) and over	17,030,380	4,312,353
Requirements towards the low rating banks, lower than BBB-(Baa3) and requirements towards the banks without rating	472,058	339,295
Interest accrued	20	28
Total	17,505,740	4,654,855
<i>Interbank loans and deposits, other requirements</i>		
Requirements towards the CB of RA	-	-
loans and deposits		
factoring		
lease		
repurchase agreements		
other		
Requirements towards the banks of Ra	4,094,856	21,183,881
loans and deposits	3,026,778	2,878,179
factoring		
lease		
repurchase agreements	831,817	17,696,166
letters of credit and bank guarantees		
other	236,261	609,536
Requirements towards the high rating banks: BBB-(Baa3) and over	570,741	-
loans and deposits		
factoring		
lease		
repurchase agreements		
letters of credit and bank guarantees		
other	570,741	
Requirements towards the low rating banks, lower than BBB-(Baa3) and requirements towards the banks without rating	7,946	19,375
loans and deposits		
factoring		
lease		
repurchase agreements		
letters of credit and bank guarantees		
other	7,946	19,375
Including Interest accrued	9,646	23,501
Total	22,188,929	25,881,612
Impairment losses of requirements towards the banks (Note 7)		
Net Requirements Towards The Banks	22,188,929	25,881,612

<i>Loans and Deposits to Financial Institutions, Other Requirements</i>	Current period	Previous period
Requirements towards the financial institutions in RA	1,064,638	2,041,440
loans and deposits	888,516	572,862
factoring		
lease		
repurchase agreements		839,077
letters of credit and bank guarantees		
other	176,122	629,501
Requirements towards the high rating financial institutions: BBB-(Baa3) and over	241,283	1,094,109
loans and deposits		
factoring		
lease		
repurchase agreements		
letters of credit and bank guarantees		
other	241,283	1,094,109

Requirements towards the low rating financial institutions, lower than BBB-(Baa3) and requirements towards financial institutions without rating	-	1,696
loans and deposits		
factoring		
lease		
repurchase agreements		
letters of credit and bank guarantees		
other		1,696
Interest accrued	2,792	95,089
Total	1,308,893	3,232,334
Impairment losses of requirements towards the financial institutions (Note 7)	(27,172)	(28,889)
Net Requirements Towards The Financial Institutions	1,281,521	3,203,445
Net Requirements Towards The Banks and The Financial Institutions	23,470,450	29,085,057

15. Financial Assets at Fair Value Through Profit or Loss

	Current period	Previous period
State securities		
State securities of RA, including:	-	-
Treasury bonds	-	-
Bonds of CB of RA		
Other		
State securities of the high rating countries: BBB-(Baa3) and over	-	-
Treasury bonds		
Bonds of CB of RA		
Other		
State securities of the low rating countries, lower than BBB-(Baa3) and countries without rating	-	-
Treasury bonds		
Bonds of CB of RA		
Other		
Total State Securities	-	-

Non-state securities of RA

	listed	non-listed	listed	non-listed
The high rating issuer: A-/A3/ and over	-	-	-	-
long-term debt instruments				
short-term debt instruments				
deposit certificates				
capital instruments				
Other				
Issuer of the "G" and over rating given from the CB of RA	-	-	-	-
long-term debt instruments				
short-term debt instruments				
deposit certificates				
capital instruments				
Other				
The low rating issuer, lower than BBB+/Baa1/ and other rating issuer and issuer without rating	254,831	-	251,177	-
long-term debt instruments	254,831		251,177	
short-term debt instruments				
deposit certificates				
capital instruments				
Other				
Total non-state RA securities at fair value through profit or loss	254,831	-	251,177	-
Non-state securities of other countries				
	listed	non-listed	listed	non-listed
The high rating issuer: A-/A3/ and over	-	-	-	-
long-term debt instruments				
short-term debt instruments				
deposit certificates				
capital instruments				
Other				
The low rating issuer, lower than BBB+/Baa1/ and other rating issuer and issuer without rating	-	-	-	-
long-term debt instruments				
short-term debt instruments				
deposit certificates				
capital instruments				

Other				
Total non-state securities at fair value through profit or loss of other countries	-	-	-	-
Other financial assets at fair value through profit or loss				
Loans, Factoring, Amounts receivable	-	-	-	-
The high rating borrowers: A-/A3/ and over				
The low rating borrowers, lower than BBB+/Baa1/ and other rating borrowers and borrowers without rating				
Mortgage				
Consumer loans				
Other				
Derivatives	67,815		277	-
futures				
forward				
option				
swap	67,815		277	
Other				
Total	67,815	-	277	-
Total Financial Assets at Fair Value Through Profit or Loss	322,646	-	251,454	-

16.Loans and Advances to Customers

<i>Loans and other advances</i>	Current period	Previous period
Loans, including	252,981,119	237,845,373
Government of RA		
Local authorities		
Mortgage		
Credit lines and overdrafts	33,408,016	30,269,340
Factoring	14,013,684	12,813,525
Lease	21,702,825	20,437,127
Repurchase agreements		
Letters of credit and bank guarantees		
Other	553,966	550,420
Including interest accrued	5,421,303	3,366,097
Total Loans	322,659,610	301,915,785
Impairment losses of loans and advances to customers (Note 9)	(8,671,257)	(7,666,035)
Total Net Loans	313,988,354	294,249,750

<i>The structure of impaired/ non-performing/ loans and advances to customers in loans portfolio at the end of the current period</i>	Amount /quantity/ in current period	Amount /quantity/ in previous period
Loans and advances	322,659,610	301,915,785
overdue	732,957	708,511
Impairment losses of loans and advances to customers	(8,671,257)	(7,666,035)
Total Net Loans and Advances	313,988,354	294,249,750

<i>The analyse of loans and advances by customer profile</i>	Current period	Previous period
State owned enterprises	172,475	172,574
Privately held companies	83,718,903	77,983,853
Individuals (natural persons): including	212,033,789	198,403,421
consumer loans	96,747,362	94,253,011
mortgage loans	21,699,329	19,530,847
credit cards	15,777,317	15,142,819
Individual entrepreneurs	26,734,443	25,355,937
Total net loans and advances	322,659,610	301,915,785
<i>Including interest accrued</i>	5,421,303	3,366,097
Impairment losses of loans and advances to customers	(8,671,257)	(7,666,035)
Total Net Loans and Advances	313,988,354	294,249,750

<i>The analyse of loans and advances by industry sectors</i>	Current period	Percentage relationship	Previous period	Percentage relationship
Industry	18,767,796	5.82	23,313,181	7.72
Agriculture	99,571,917	30.86	87,879,060	29.10
Construction	12,636,082	3.92	11,643,284	3.86
Transport and connection	5,477,247	1.70	5,300,110	1.76
Trading	39,133,362	12.13	35,111,769	11.63
Consumer	96,747,362	29.98	94,253,011	31.22
Mortgage loans	21,699,329	6.73	19,530,847	6.47
Service industry	25,599,450	7.93	23,467,657	7.77
Other	3,027,064	0.94	1,416,866	0.47
Total	322,659,610	100	301,915,785	100

17.Financial Assets at Fair Value Through Other Comprehensive Income

<i>State securities</i>	Current period	Previous period
State bonds of RA	19,775,542	16,212,563
Treasury bonds	19,775,542	16,212,563
Bonds of CB of RA		
Other		
State securities of the high rating countries: BBB-(Baa3) and over	-	-
Treasury bonds		
Bonds of CB of RA		
Other		
State securities of the low rating countries, lower than BB+ - (Ba1), countries with other ratings and countries without rating	-	-
Treasury bonds		
Bonds of CB of RA		
Other		
Total State Securities	19,775,542	16,212,563

<i>Non-state securities of RA</i>	<i>listed</i>	<i>non-listed</i>	<i>listed</i>	<i>non-listed</i>
The high rating issuer: A-/A3/ and over				
long-term debt instruments				
short-term loan instruments				
deposit certificates				
capital instruments				
Other				
Issuer of the "G" and over rating given from the CB of RA				
long-term debt instruments				
short-term loan instruments				
deposit certificates				
capital instruments				
Other				
The low rating issuer, lower than BBB+/Baa1/ and other rating issuer and issuer without rating		4,305,155		4,079,615
long-term debt instruments				
short-term loan instruments				
deposit certificates				
capital instruments				
Other		81,212		81,212
Total Non-state Securities of RA	-	4,386,367	-	4,160,827

<i>Non-state securities of other countries</i>	<i>listed</i>	<i>non-listed</i>	<i>listed</i>	<i>non-listed</i>
The high rating issuer: A-/A3/ and over				
long-term debt instruments				
short-term loan instruments				
deposit certificates				
capital instruments				
Other		2,231,332		2,387,059
The low rating issuer, lower than BBB+/Baa1/ and other rating issuer and issuer without rating				
long-term debt instruments				
short-term loan instruments				
deposit certificates				
capital instruments				
Other				
Total Non-state Securities of Other Countries		2,231,332		2,387,059
Impairment losses of financial assets at fair value through other comprehensive income				
Total Financial Assets at Fair Value Through Other Comprehensive Income		26,393,241		22,760,449

18. Other Financial Assets

<i>State securities</i>	Current period	Previous period
State bonds of RA		
Treasury bonds		
Bonds of CB of RA		
Other		
State securities of the high rating countries: BBB-(Baa3) and over	-	-
Treasury bonds		
Bonds of CB of RA		
Other		
State securities of the low rating countries, lower than BB+ - (Ba1), countries with other ratings and countries without rating	-	-
Treasury bonds		
Bonds of CB of RA		
Other		
Total State Securities	-	-

<i>Non-state securities of RA</i>	<i>listed</i>	<i>non-listed</i>	<i>listed</i>	<i>non-listed</i>
The high rating issuer: A-/A3/ and over				
longterm debt instruments				
shortterm loan instruments				

deposit certificates				
capital instruments				
Other				
Issuer of the "G" and over rating given from the CB of RA				
longterm debt instruments				
shortterm loan instruments				
deposit certificates				
capital instruments				
Other				
The low rating issuer, lower than BBB+/Baa1/ and other rating issuer and issuer without rating				
longterm debt instruments				
shortterm loan instruments				
deposit certificates				
capital instruments				
Other				
Total Non-state Securities of RA	-	-	-	-

<i>Non-state securities of other countries</i>	<i>listed</i>	<i>non-listed</i>	<i>listed</i>	<i>non-listed</i>
The high rating issuer: A-/A3/ and over				
longterm debt instruments				
shortterm loan instruments				
deposit certificates				
capital instruments				
Other				
The low rating issuer, lower than BBB+/Baa1/ and other rating issuer and issuer without rating				
longterm debt instruments				
shortterm loan instruments				
deposit certificates				
capital instruments				
Other				
Total Non-state Securities of Other Countries		-		-
Impairment losses of other financial assets				
Total Other Financial Assets		-		-

19. Investments in Share Capital of Controlled Entities

The flow of investments in controlled entities	
Amount at the beginning of the period	
Additions	
Alienation (sales)	
Impairment	
Amount at the end of the period	-

Investments in controlled entities	Current period	Previous period
Investments in associates	819,575	749,442
Investments in joint controlled entities		
Investments in subsidiary banks		
Investments in other subsidiary entities		
Dividends		
Total	819,575	749,442

20. Property, Plant and Equipment and Intangible Assets

Property, Plant and Equipment

	Land and buildings	Machinery and equipment	Vehicles	Other property, plant and equipment	Leasehold assets	Capital investments on leased PPE	Total
Cost							
Amount as of the beginning of the previous period	9,500,803	7,020,245	439,799	3,038,058	2,206,032	558,831	22,763,568
Additions	310,133	1,440,802	144,025	211,948	45,133	173,239	2,325,080
Disposals	-600	-142,327	-53,865	-27,564			-224,356
Amount as of the end of the previous period	9,810,136	8,318,520	529,959	3,222,440	2,251,165	732,070	24,864,290
Additions	23,839	35,604			9,075		68,518
Disposals		-871		-1,009			-1,881
Revaluation*							0
Reclassification		53,254		-53,254			0
Amount as of the end of the current period	9,833,975	8,406,506	529,959	3,168,177	2,260,240	732,070	24,930,927
Accumulated Depreciation							
Amount as of the beginning of the previous period	34,389	3,724,271	54,550	1,829,607	0	85,379	5,728,198
Depreciation	174,348	603,996	48,190	176,243	545,620	64,225	1,612,822
Disposals		-73,473	-7,812	-9,133			-90,418
Amount as of the end of the previous period	208,737	4,254,794	94,928	1,996,717	545,620	149,604	7,250,400
Depreciation charge	43,763	169,608	13,463	45,173	129,654	7,124	408,786
Reclassification							0
Disposals		-408		-374			-783
Amount as of the end of the current period	252,500	4,423,993	108,391	2,041,516	675,274	156,728	7,658,403
Net Carrying Amount							
Amount as of the end of the current period	9,581,475	3,982,513	421,568	1,126,661	1,584,966	575,342	17,272,524
Amount as of the end of the previous period	9,601,399	4,063,726	435,031	1,225,723	1,705,545	582,466	17,613,890

Intangible Assets

	Softwares	Licenses	Copyright	Other Intangible assets	Capital investment in intangible assets	Goodwill	Total
Cost							
Amount as of the beginning of the previous period	797,507	3,802,424	0	131,527	0	18,132	4,549,590
Additions	17,114	484,078		88,704			589,896
Disposals	-20,871			-596			-21,467
Elimination of accumulated depreciation							0
Revaluation		0					0
Amount as of the end of the previous period	793,750	4,086,502	0	219,635	0	18,132	5,118,019
Additions	163,227			8,457			171,685
Disposals							0
Revaluation							0
Impairment							0
Adjustment of revalued depreciation							0
Reclassification	953,700	-953,700					0
Amount as of the end of the current period	1,910,677	3,132,802	0	228,092	0	18,132	5,289,703
Accumulated Depreciation							
Amount as of the beginning of the previous period	323,581	582,148	0	71,160	0	0	976,889
Depreciation and amortization	107,741	283,526		11,187			402,454
Disposals	-19,645			-219			-19,864
Elimination of accumulated depreciation							0
Amount as of the end of the previous period	411,677	865,674	0	82,127	0	0	1,359,478
Depreciation charge	41,834	82,452		4,455			128,741
Disposals							0
Adjustment of revalued depreciation							0
Impairment							0
Reclassification							0
Amount as of the end of the current period	453,511	948,126	0	86,583	0	0	1,488,219
Net Carrying Amount							
Amount as of the end of the current period	1,457,167	2,184,676	0	141,509	0	18,132	3,801,484
Amount as of the end of the previous period	382,073	3,220,828	0	137,507	0	18,132	3,758,540

22. Other Assets

<i>Amounts receivable from banking operations</i>	Current period	Previous period
Dividends receivable		
Amounts receivable from accreditation management operations		
Amounts receivable from other operations	314,110	1,110,167
Total	314,110	1,110,167

<i>Amounts receivable and prepayments</i>	Current period	Previous period
Amounts receivable from budget		
Amounts receivable from suppliers		
Prepayments to employees	15,387	5,174
Prepayments to suppliers	2,224,257	2,647,636
Prepayments on income tax	469,239	
Other amounts receivable and prepayments	806,602	338,183
Total	3,515,485	2,990,993

<i>Other assets</i>	Current period	Previous period
Warehouse	374,948	385,349
Charged collateral L assets at fair value through other comprehensive income	507,906	501,626
Future costs	374,208	203,081
Other assets	65,492	16,805
Total	1,322,554	1,106,861

Impairment losses of other assets		(1,405)
Total other assets	5,152,149	5,206,616

23. Amounts Due to Banks and Other Financial Institutions

<i>Current accounts</i>	Current period	Previous period
Amounts due to the banks of Ra	29,079	28,228
Amounts due to the high rating banks: BBB-(Baa3) and over		
Amounts due to the low rating banks, lower than BBB-(Baa3) and amounts due to the banks without rating		
Including: Interest accrued		
Total	29,079	28,228

<i>Interbank loans and deposits, other liabilities</i>	Current period	Previous period
Amounts due to the CB of RA	14,326,733	13,460,062
loans	14,324,468	13,458,824
repurchase agreements		
other	2,265	1,238
Amounts due to the banks of Ra	242,720	1,049

loans and deposits	241,688	
lease		
repurchase agreements		
other	1,032	1,049
Amounts due to the high rating banks: BBB-(Baa3) and over	13,753,878	11,050,241
loans and deposits	13,753,670	11,048,690
lease		
repurchase agreements		
other	208	1,551
Amounts due to the low rating banks, lower than BBB-(Baa3) and amounts due to the banks without rating	-	-
loans and deposits		
lease		
repurchase agreements		
other		
Including: Interest accrued	1,477,084	481,145
Total	28,323,331	24,511,352
Amounts due to the financial institutions	82,371,399	82,610,314
current accounts	12,215,880	6,132,591
loans and deposits	70,015,268	76,214,266
repurchase agreements		
other	140,251	263,458
Including: Interest accrued	1,273,127	2,135,988
Total amounts due to banks and international financial institutions	110,723,809	107,149,894

24. Amounts Due to Customers

<i>Amounts due to government of RA and local authorities</i>	Current period	Previous period
Current accounts		
Term deposits		
Loans	15,239,254	16,009,762
Repurchase agreements		
Other		
Including: Interest accrued	337,257	63,231
Total	15,239,254	16,009,762
<i>Amounts due to resident corporations of RA</i>		
Current accounts	22,395,144	20,513,887
Term deposits	25,712,729	24,159,010
Repurchase agreements		
Other	1,293,393	1,963,542
Including: Interest accrued	373,736	382,831
Total	49,401,266	46,636,439
<i>Amounts due to non resident corporations of RA</i>		
Current accounts	547,987	374,896
Term deposits	1,292,956	1,308,057
Repurchase agreements		
Other	6	
Including: Interest accrued	24,728	18,010
Total	1,840,949	1,682,953
<i>Amounts due to resident individual entrepreneurs of RA</i>		
Current accounts	1,456,241	2,127,479
Term deposits	100,137	89,089
Repurchase agreements		
Other	8,041	8,400
Including: Interest accrued	3,307	2,533
Total	1,564,419	2,224,968
<i>Amounts due to non resident individual entrepreneurs of RA</i>		
Current accounts	1,070	1,770
Term deposits		
Repurchase agreements		
Other		
Including: Interest accrued		
Total	1,070	1,770
<i>Amounts due to resident individuals (natural persons) of RA</i>		
Current accounts	27,558,062	27,072,087
Term deposits	131,141,093	127,097,854
Repurchase agreements		
Other	1,882,278	2,018,737
Including: Interest accrued	2,360,582	2,291,940
Total	160,581,433	156,188,678
<i>Amounts due to non resident individuals (natural persons) of RA</i>		
Current accounts	2,061,742	2,837,125
Term deposits	17,514,966	15,106,485
Repurchase agreements		
Other	7,728	725
Including: Interest accrued	336,613	329,521
Total	19,584,436	17,944,335
Total amounts due to customers	248,212,827	240,688,905

25. Securities Issued by The Bank

<i>Securities issued by the bank</i>	Current period	Previous period
Deposit certificates issued by the bank		
Non-interest securities issued by the bank		
Interest securities issued by the bank	3,430,571	5,873,705
Preferred shares /financial liabilities/ issued by the bank		
Other securities issued		
Including: Interest accrued	41,935	152,759
Total	3,430,571	5,873,705

26. Financial Liabilities at Fair Value Through Profit or Loss

<i>Financial liability at fair value through profit or loss</i>	Current period	Previous period
Derivatives held for trading		
futures		
forward		
option		
swap	61,886	121,756
other		78,334
Hedging derivatives		
Other		
Total	61,886	200,090

27. Amounts Payable

<i>Amounts payable</i>	Current period	Previous period
Dividends		
Payables from accreditation management operations		
Payables to Deposit Guarantee fund	124,015	113,692
Other	1,749	1,355
Total	125,764	115,047

28. Share Capital

As at 31 December 2011 the Bank's registered and paid-in share capital was AMD 30,000,000 thousand. As at 31 March 2020 the respective shareholding is "ACBA FEDERATION" closed joint-stock company. The share capital consists of 2,500 ordinary shares, all of which have a par value of AMD 12,000 thousand. As at 31 March 2020, shareholder, which has 10% of total paid-in capital, may be specified as follow:

The respective shareholder	Paid-in share capital	% of total paid-in capital	Activity type for entrepreneur
ACBA FEDERATION	28,500,000	95.00%	closed joint-stock company
Total	28,500,000	95.00%	

28.1. Other Equity Components

<i>Revaluation reserves</i>	Current period	Previous period
Unrealized profit / loss from revaluation of investments at fair value through other comprehensive income	1,820,143	2,730,236
Revaluation reserve of property, plant and equipment	3,009,091	3,009,091
Total	4,829,234	5,739,327

29. Other Liabilities

<i>Other liabilities</i>	Current period	Previous period
Amounts payable		-
Tax payable, other than income tax	608,578	473,129
Due to personnel	1,115,129	1,926,560
Grants related to assets	16,544	16,060
Other	1,798,165	1,880,737
Total Other Liabilities	3,538,416	4,296,486

30. Provisions, Contingent Cases and Potensial Liabilities

<i>Provisions</i>	Current period	Previous period
1 Initial Balance		
2 Net Impairment losses		
3 The final balance		

30.3 Off Balance Sheet Contingent Liabilities Including Credit Risk

	Current period	Previous period
Undrawn credit lines	23,440,021	26,385,614
Guarantees	7,367,222	5,883,173
Letters of credit	91,652	71,955
Provision (Note 9)	(186,562)	(117,526)
	30,712,333	32,223,216

31. Transactions With Related Parties

<i>Amounts due from other banks</i>	Current period	Previous period
Balance as at 1 January	-	-
Additions during the year	-	-
Reductions during the year	-	-
Balance as at 31 March	-	-
Interest income	-	-

<i>Loans and advances to customers</i>	Current period	Previous period
Balance as at 1 January	406,218	416,523
Additions during the year	66,343	296,697
Reductions during the year	75,284	307,002
Balance as at 31 March	397,277	406,218
Interest income	4,684	16,354

<i>Amounts due to banks</i>	Current period	Previous period
Balance as at 1 January	-	-
Additions during the year	-	-
Reductions during the year	-	-
Balance as at 31 March	-	-
Interest income	-	-

<i>Amounts due to customers</i>	Current period	Previous period
Balance as at 1 January	1,145,398	783,255
Additions during the year	760,370	1,398,200
Reductions during the year	261,946	1,036,057
Balance as at 31 March	1,643,822	1,145,398
Interest income	26,122	79,485

32.1 Credit Risk Geographical Sectors

	Current period				Total
	Armenia	CIS countries	OECD countries	Non-OECD countries	
Assets					
Cash and balances with the Central Bank of Armenia	49,908,924				49,908,924
Amounts due from banks and other financial institutions	5,148,041	605,693	17,355,254	361,463	23,470,450
Financial assets at fair value through profit or loss	254,831		67,815		322,646
Loans and advances to customers	313,929,902	38,604	8,294	11,554	313,988,354
Financial assets at fair value through other comprehensive income	24,161,909		2,231,332		26,393,241
Other financial assets					-
Total Assets	393,403,807	644,296	19,662,895	373,017	414,083,615
Liabilities					
Amounts due to banks and other financial institutions	47,605,995		63,117,814		110,723,809
Amounts due to customers	230,003,742	2,994,067	12,649,436	2,565,582	248,212,827
Financial liabilities at fair value through profit or loss			61,886		61,886
Securities Issued by The Bank	3,430,571				3,430,571
Subordinate loan			5,046,370		5,046,370
Total Liabilities	281,040,308	2,994,067	80,875,506	2,565,582	367,475,463
Net GAP	112,363,299	(2,349,771)	(61,212,811)	(2,192,565)	46,608,152

	Previous period				Total
	Armenia	CIS countries	OECD countries	Non-OECD countries	
Assets					
Cash and balances with the Central Bank of Armenia	58,909,876				58,909,876
Amounts due from banks and other financial institutions	23,318,201	726,108	4,823,074	217,673	29,085,057
Financial assets at fair value through profit or loss	251,177	277			251,454
Loans and advances to customers	294,195,139	43,453	5,979	5,179	294,249,750
Financial assets at fair value through other comprehensive income	20,373,390		2,387,059		22,760,449
Other financial assets					-
Total Assets	397,047,783	769,838	7,216,112	222,852	405,256,586
Liabilities					
Amounts due to banks and other financial institutions	46,621,133		60,528,761		107,149,894
Amounts due to customers	224,502,592	2,830,291	10,773,625	2,582,396	240,688,905
Financial liabilities at fair value through profit or loss	80,134		119,956		200,090
Securities Issued by The Bank	5,873,705				5,873,705
Subordinate loan			4,854,305		4,854,305
Total Liabilities	277,077,564	2,830,291	76,276,647	2,582,396	358,766,899
Net GAP	119,970,219	(2,060,453)	(69,060,535)	(2,359,544)	46,489,687

32.2 Market Risk Currency Risk

	Current period			Total
	AMD	I group currency*	II group currency**	
Assets				
Cash and balances with the Central Bank of Armenia	28,112,790	21,317,851	478,283	49,908,924

Amounts due from banks and other financial institutions	1,190,654	22,171,422	108,374	23,470,450
Financial assets at fair value through profit or loss	322,646			322,646
Loans and advances to customers	213,213,818	100,051,632	722,904	313,988,354
Financial assets at fair value through other comprehensive income	2,903,857	23,489,384	-	26,393,241
Other financial assets	-	-	-	-
Total Assets	245,743,765	167,030,289	1,309,561	414,083,615
Liabilities				
Amounts due to banks and other financial institutions	86,328,063	24,343,578	52,168	110,723,809
Amounts due to customers	114,534,156	131,688,742	1,989,929	248,212,827
Securities Issued by The Bank	2,024,866	1,405,705		3,430,571
Subordinate loan		5,046,370		5,046,370
Total Liabilities	202,887,085	162,484,395	2,042,097	367,413,577
Net GAP	42,856,680	4,545,894	(732,536)	46,670,038

	Previous period			Total
	AMD	I group currency*	II group currency**	
Assets				
Cash and balances with the Central Bank of Armenia	24,455,868	33,377,397	1,076,611	58,909,876
Amounts due from banks and other financial institutions	19,775,372	8,764,825	544,860	29,085,057
Financial assets at fair value through profit or loss	251,454			251,454
Loans and advances to customers	201,987,313	91,427,243	835,194	294,249,750
Financial assets at fair value through other comprehensive income	3,049,196	19,711,253	-	22,760,449
Other financial assets	-	-	-	-
Total Assets	249,519,203	153,280,718	2,456,665	405,256,586
Liabilities				
Amounts due to banks and other financial institutions	87,379,168	19,770,300	426	107,149,894
Amounts due to customers	118,062,508	120,702,090	1,924,307	240,688,905
Securities Issued by The Bank	2,072,571	3,801,134		5,873,705
Subordinate loan		4,854,305		4,854,305
Total Liabilities	207,514,247	149,127,829	1,924,733	358,566,809
Net GAP	42,004,956	4,152,889	531,932	46,689,777
<i>Contingent Liabilities, including Credit Risk 31.03.20</i>	16,639,939	13,881,371	191,023	30,712,333

Interest Rate Risk

	Current period		Previous period	
	AMD %	Currency %	AMD %	Currency %
Assets				
Balances with the Central Bank of Armenia				
Amounts due from banks and other financial institutions, including:	6.15		5.25	5.65
interbank loans			5.25	5.00
interbank repo				5.62
Loans and advances to customers	14.13		9.28	14.18
Financial assets at fair value through other comprehensive income	5.85		7.63	6.09
Financial assets at fair value through profit or loss	9.75			9.75
Other financial assets				
Liabilities				
Amounts due to banks and other financial institutions, including:	8.25		5.28	8.29
Loans	8.25		5.28	8.29
interbank repo				
interbank loans				
Loans and advances to customers	5.48		3.10	5.65
Other requirements				3.23
Obligations for the securities issued by banks	9.50		5.25	9.50

32.3 Liquidity Risk

	Current period								
	Non-performing overdue	time	Maturity demand and up to 1 month	from 1 to 3 months	from 3 to 12 months	from 1 to 5 years	more than 5 years	No term	Total
Assets maturity									
Cash and cash equivalents, balances with the Central Bank of Armenia	-	-	49,445,424	-	-	-	-	463,500	49,908,924
Amounts due from banks and other financial institutions	-	-	8,786,230	9,230	3,888,429	9,197,429	547,916	1,041,216	23,470,450
Loans and advances to customers	616,490	8,893,537	8,691,983	15,668,642	73,912,110	162,746,817	21,626,818	266,877	292,423,274
Lease	37,695	-	72,229	2,357,916	5,111,174	13,986,065	-	-	21,565,080
Financial assets at fair value through other comprehensive income	-	-	-	-	77,016	26,316,225	-	-	26,393,241
Financial assets at fair value through profit or loss	-	-	322,646	-	-	-	-	-	322,646
Other requirements	-	-	-	-	-	-	-	-	-
Total	654,185	8,893,537	67,318,512	18,035,789	82,988,729	212,246,536	22,174,734	1,771,593	414,083,615
Liabilities maturity									
Amounts due to banks and other financial institutions	-	-	15,571,537	4,804,642	24,720,194	63,025,494	2,461,690	140,252	110,723,809
Amounts due to customers	-	-	64,087,791	25,608,896	102,799,274	47,436,886	7,469,945	810,034	248,212,827
Financial liabilities at fair value through profit or loss	-	-	61,886	-	-	-	-	-	61,886
Securities issued by the Bank	-	-	-	-	3,430,571	-	-	-	3,430,571
Subordinate loan	-	-	-	6,851	-	-	5,039,519	-	5,046,370
Total	-	-	79,721,214	30,420,389	130,950,039	110,462,381	14,971,155	950,286	367,475,463
Net Liquidity GAP	654,185	8,893,537	(12,402,701)	(12,384,600)	(47,961,311)	101,784,156	7,203,579	821,307	46,608,152
Cumulative Liquidity GAP			(2,854,979)	(15,239,579)	(63,200,889)	38,583,266	45,786,845	46,608,152	
	Previous period								
	Non-performing overdue	time	Maturity demand and up to 1 month	from 1 to 3 months	from 3 to 12 months	from 1 to 5 years	more than 5 years	No term	Total
Assets maturity									
Cash and cash equivalents, balances with the Central Bank of Armenia	-	-	58,347,876	-	-	-	-	562,000	58,909,876
Amounts due from banks and other financial institutions	-	-	26,113,174	1,849,301	85,055	89,591	-	947,936	29,085,057
Loans and advances to customers	494,448	5,817,518	7,290,408	11,578,931	72,147,960	157,608,178	18,951,661	47,797	273,936,899
Lease	46,068	2,812	127,824	1,272,666	5,853,957	13,009,525	-	-	20,312,851
Financial assets at fair value through other comprehensive income	-	-	-	-	77,786	20,214,392	-	2,468,271	22,760,449
Financial assets at fair value through profit or loss	-	-	277	-	-	251,177	-	-	251,454
Other requirements	-	-	-	-	-	-	-	-	-
Total	540,515	5,820,330	91,879,559	14,700,899	78,164,757	191,172,863	18,951,661	4,026,004	405,256,587
Liabilities maturity									
Amounts due to banks and other financial institutions	-	-	7,621,147	9,875,685	22,309,612	59,894,626	7,185,368	263,458	107,149,894
Amounts due to customers	-	-	73,642,095	23,633,442	104,266,738	29,135,408	7,769,015	2,242,208	240,688,905
Financial liabilities at fair value through profit or loss	-	-	91,303	1,540	4,779	102,468	-	-	200,090
Securities issued by the Bank	-	-	-	2,462,981	-	3,410,724	-	-	5,873,705
Subordinate loan	-	-	-	3,325	15,858	-	4,835,122	-	4,854,305
Total	-	-	81,354,544	35,976,973	126,596,987	92,543,225	19,789,505	2,505,666	358,766,900
Net Liquidity GAP	540,515	5,820,330	10,525,014	(21,276,075)	(48,432,229)	98,629,638	(837,844)	1,520,338	46,489,687
Cumulative Liquidity GAP			16,885,859	(4,390,215)	(62,822,444)	45,807,193	44,969,349	46,489,687	

Risk Management

Introduction (continued)

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risks, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Credit Risk

Credit risk is the risk that the Group will incur a loss because its customers, clients or counterparties failed to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process allows the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded in the consolidated statement of financial position.

Credit-related commitments risks

The Group makes available to its customers guarantees which may require that the Group make payments on their behalf. Such payments are collected from customers based on the terms of the letter of credit. They expose the Group to similar risks to loans and these are mitigated by the same control processes and policies.

The maximum exposure to credit risk for the components of the consolidated statement of financial position, including derivatives, before the effect of mitigation through the use of master netting and collateral agreements, is best represented by their carrying amounts.

Where financial instruments are recorded at fair value, the carrying value represents the current credit risk exposure but not the maximum risk exposure that could arise in the future as a result of changes in values.

Credit quality per class of financial assets

The credit quality of financial assets is managed by the Group internal credit ratings. The table below shows the credit quality by class of asset for loans to customers and receivables from finance leases in the consolidated statement of financial position, based on the Group's credit rating system.

Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchanges, and equity prices.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, of the Group's consolidated statement of profit or loss.

Liquidity Risk

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances. To limit this risk, management has arranged diversified funding sources in addition to its core deposit base, manages assets with liquidity in mind, and monitors future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required.

The Group maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseen interruption of cash flow. The Group also has committed lines of credit that it can assess to meet liquidity needs. In addition, the Group maintains a cash deposit (obligatory reserve) with the CBA, the amount of which depends on the level of customer funds attracted.

Capital Adequacy

The primary objectives of the Group's capital management are to ensure that the Group complies with externally imposed capital requirements and that the Group maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholders' value.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes were made in the objectives, policies and processes from the previous years

The Central Bank of Armenia sets and monitors capital requirements for the Bank.

The Group defines as capital those items defined by statutory regulation as capital for credit institutions. Under the current capital requirements set by the Central Bank of Armenia, which are based on Basle Accord principles, banks have to maintain a ratio of capital to risk weighted assets (statutory capital ratio) above the prescribed minimum level

34. Fair Value of Financial Assets and Liabilities

	Current period		Previous period	
	Balance sheet value	Fair value	Balance sheet value	Fair value
Financial assets				
Amounts due from other financial institutions	23,470,450	23,470,450	29,085,057	29,085,057
Loans and advances to customers	313,988,354	313,988,354	294,249,750	294,249,750
Financial liabilities				
Amounts due to financial institutions	110,723,809	110,723,809	107,149,894	107,149,894
Amounts due to customers	248,212,827	248,212,827	240,688,905	240,688,905
Securities issued by the Bank	3,430,571	3,430,571	5,873,705	5,873,705

38. Accepted Collateral

Type of collateral	Current period	Previous period
Other securities	537,770	537,770
Precious jewelry, Gold scrap, Precious stones	5,818,651	5,781,960
Real Estate and property, plant and equipment	243,603,804	235,944,801
Ready-Made Products and Goods	32,121,141	31,425,678
Cash	10,563,522	12,518,192
Other collateral	9,039,132	4,655,623
Total	301,684,020	290,864,024

General Executive Director



[Handwritten signature]

H. Andreyan

Chief Accountant

A. Hakobyan

Report validation date: 18/05/20