

MAIN FINANCIAL STABILITY INDICATORS AND RISKS

1st quarter of 2026

Main indicators of the banking system

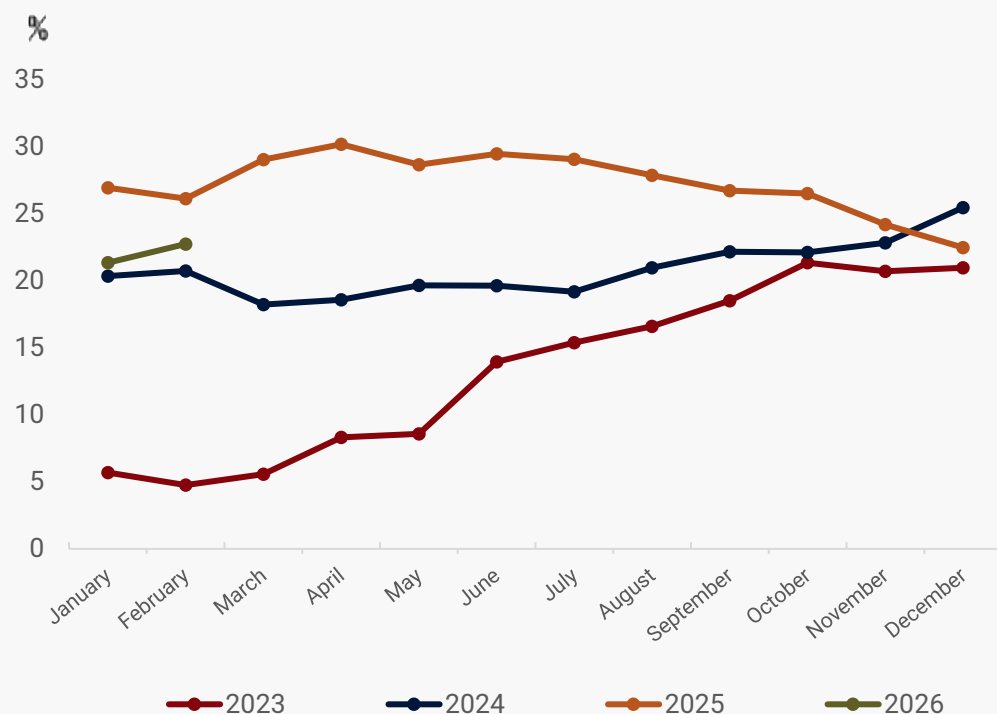
	Indicator value as of February 2026	12-month change
ASSETS	12.7 trillion AMD	17.24%
Loans	7.52 trillion AMD	22.74%
Non-performing loan ratio	1.3%	-0.19 p.p.
LIABILITIES	10.63 trillion AMD	17.17%
Attracted deposits	6.54 trillion AMD	13.82%
EQUITY	2.07 trillion AMD	17.62%
Total Capital adequacy ratio	20.6%	0.6 p.p.
Total liquidity ratio	31.0%	1.05 p.p.
Return on Equity	20.4%	0.03 p.p.
Return on Assets	3.3%	0.02 p.p.

* Information is as of February 2026.

Developments in credit market

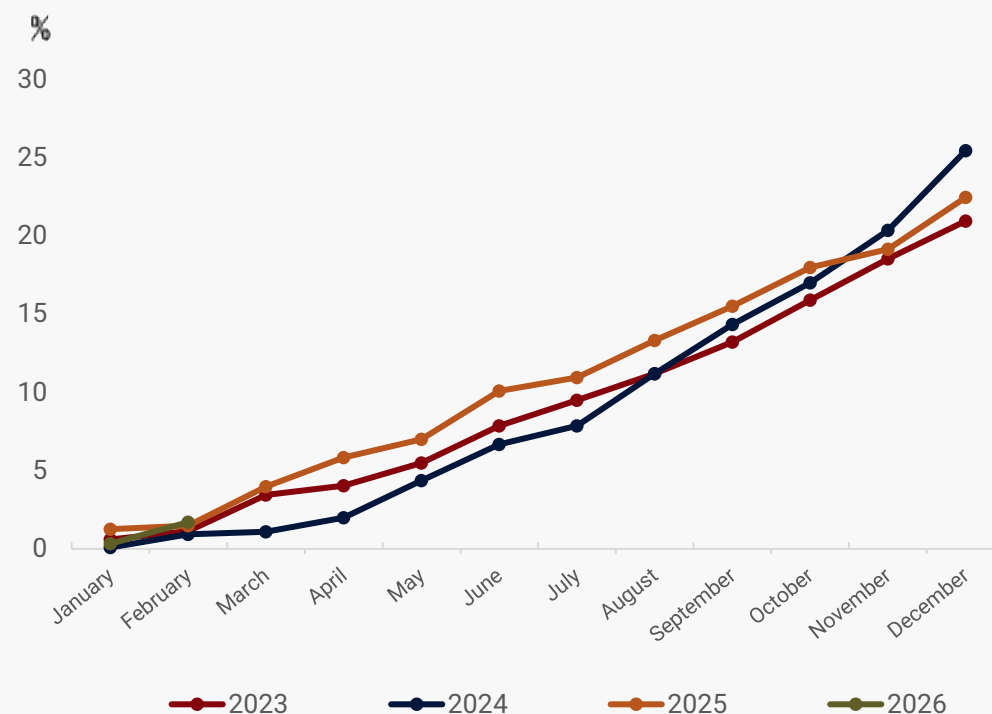
Total credit growth has remained at a high level

12-month growth rate of total credit stock



Source: the CBA

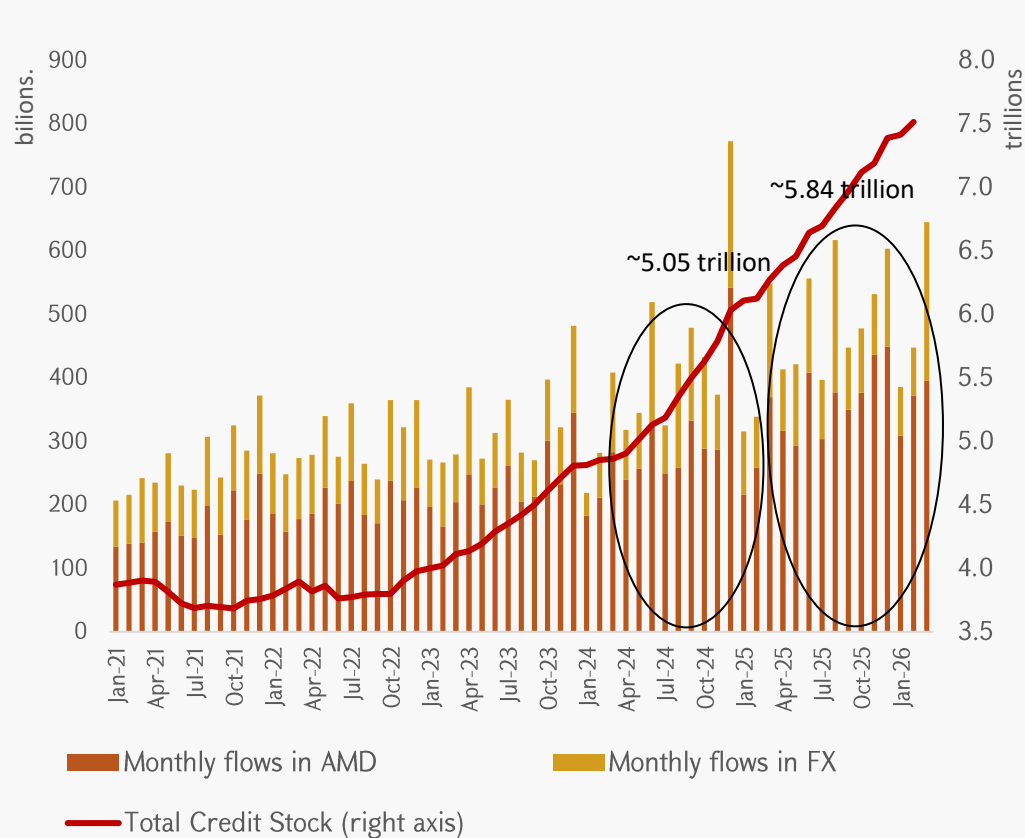
Growth rates of total credit stock compared to previous year end



Source: the CBA

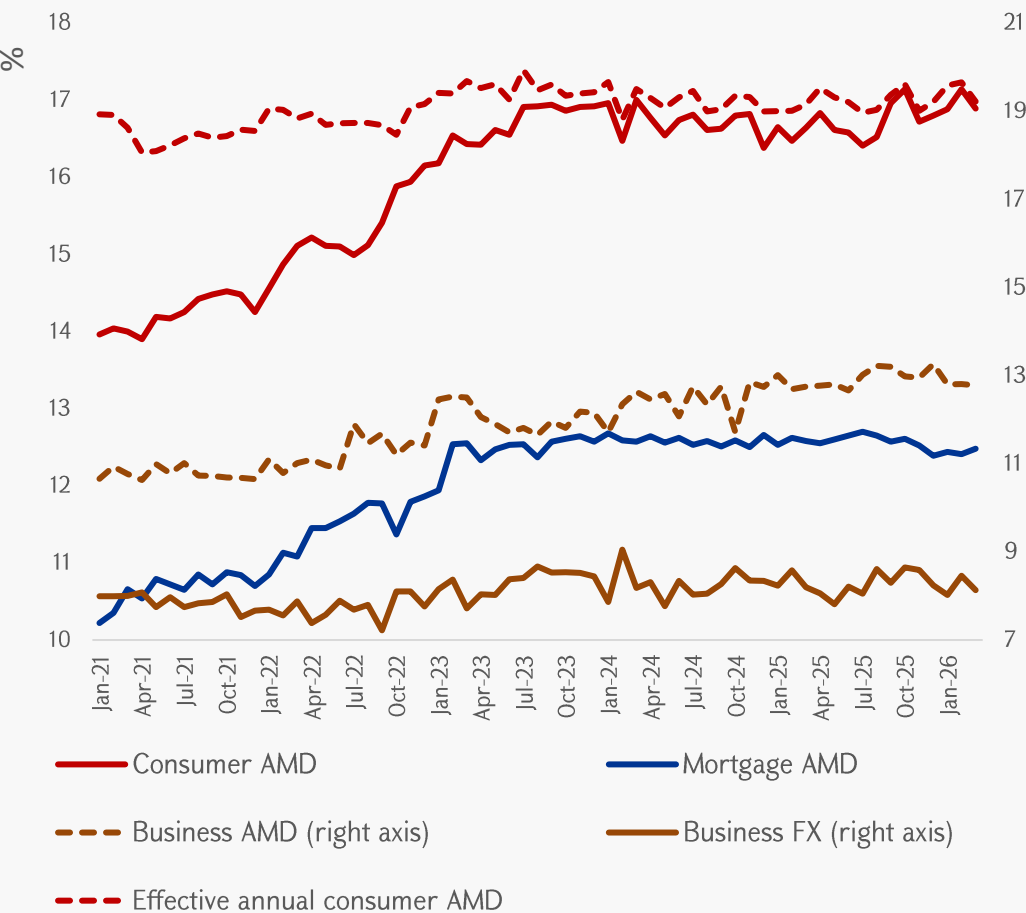
As of February 2026, annual loan flows exceed the comparable indicator of the previous year

Total credit stock and flows



Source: the CBA

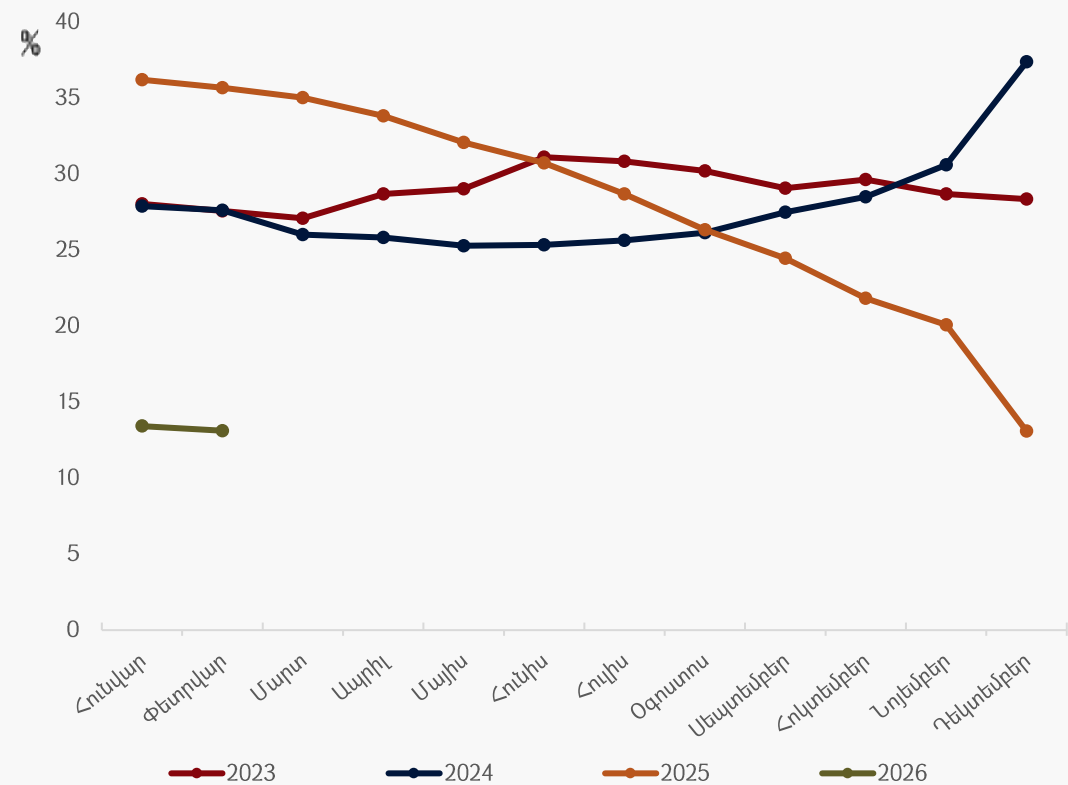
Dynamics of interest rates



Source: the CBA

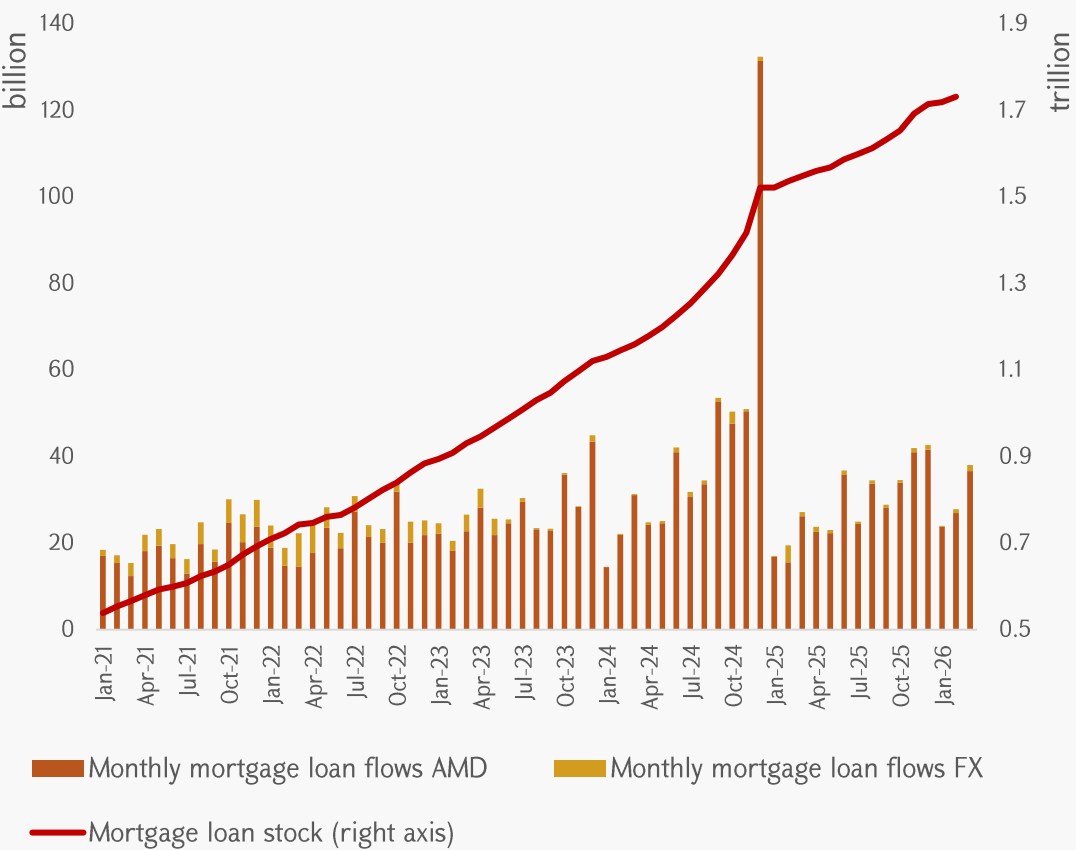
The annual growth rate of mortgage loans has remained almost unchanged compared to the end of the year. Since the beginning of the year, the volume of new flows has exceeded the indicator of the previous year

12-month growth rate of mortgage credit stock



Source: the CBA

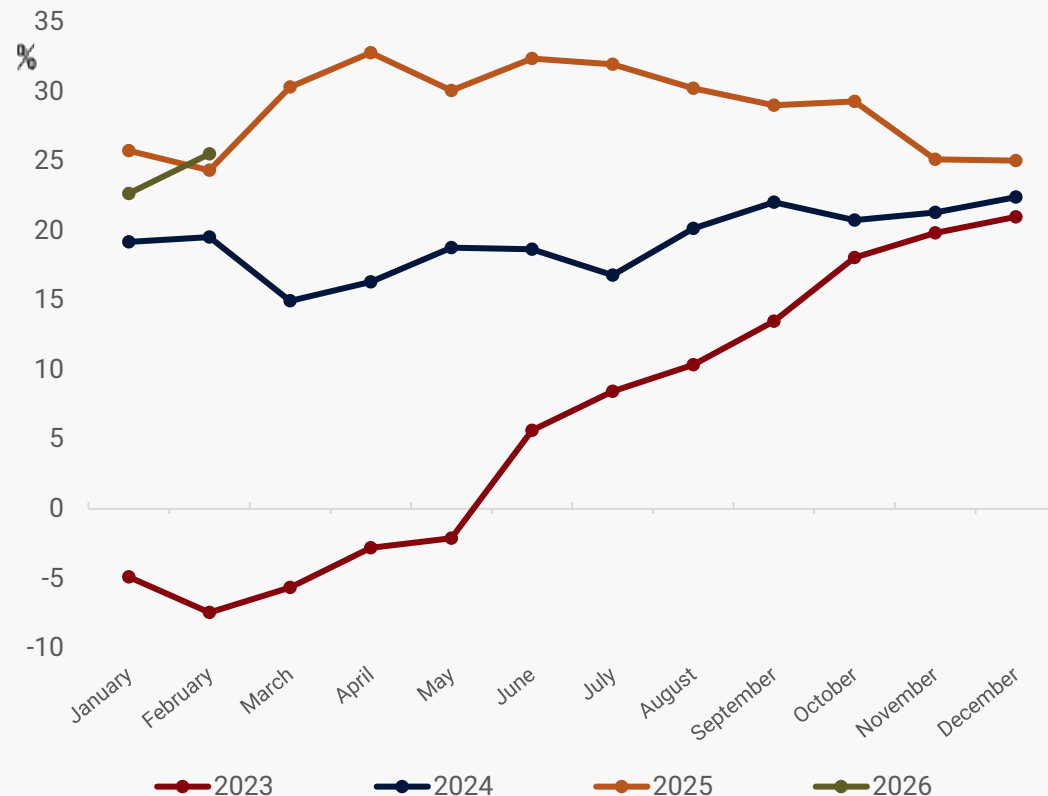
Growth rates of mortgage credit stock compared to previous year end



Source: the CBA

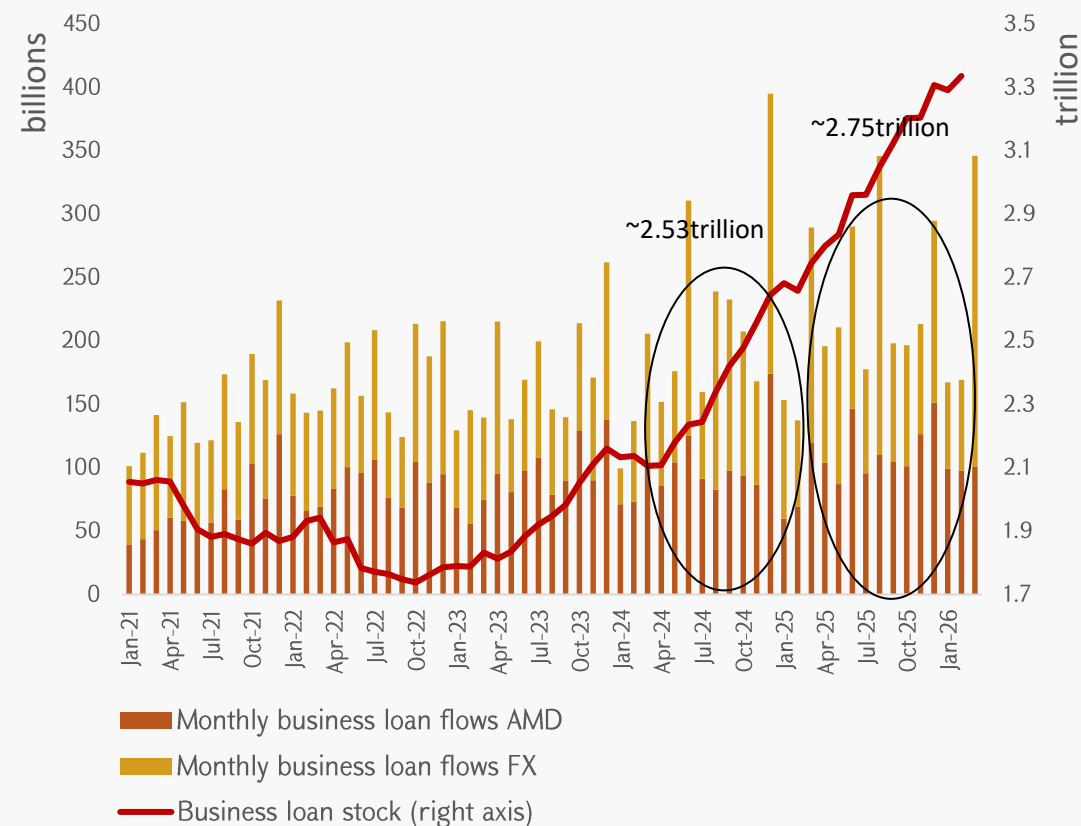
Business loan growth rates remained high

12-month growth rate of business loan stock



Source: the CBA

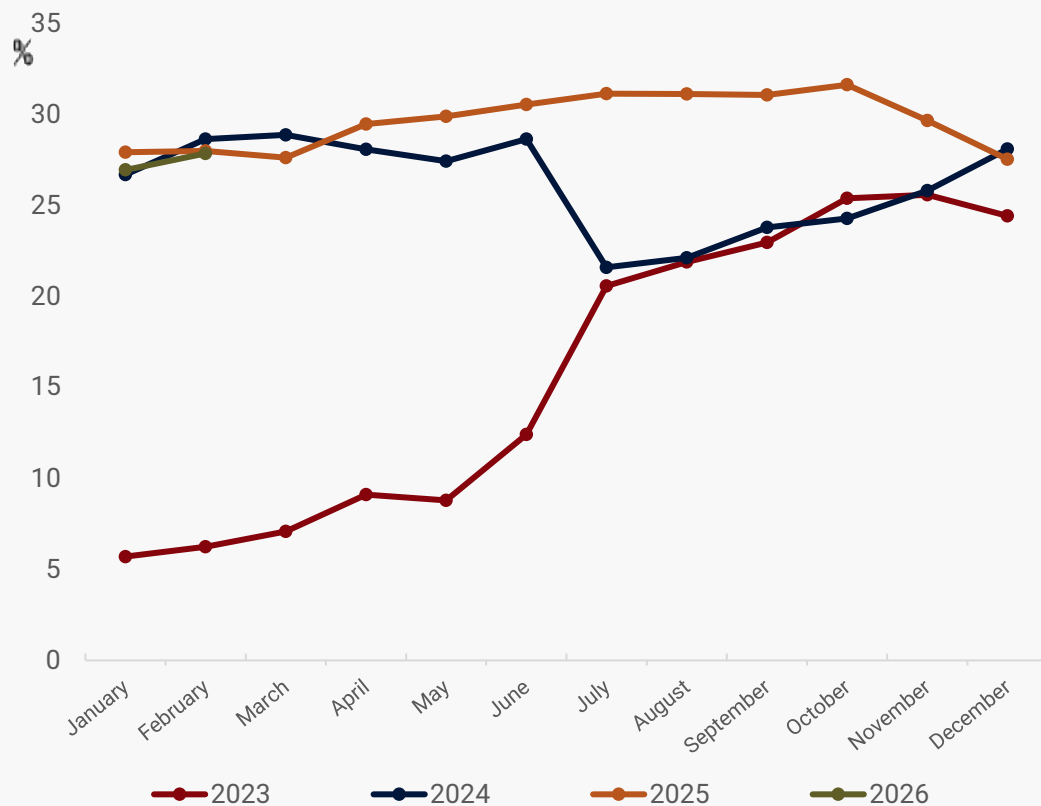
Stock and flow dynamics of business loans



Source: the CBA

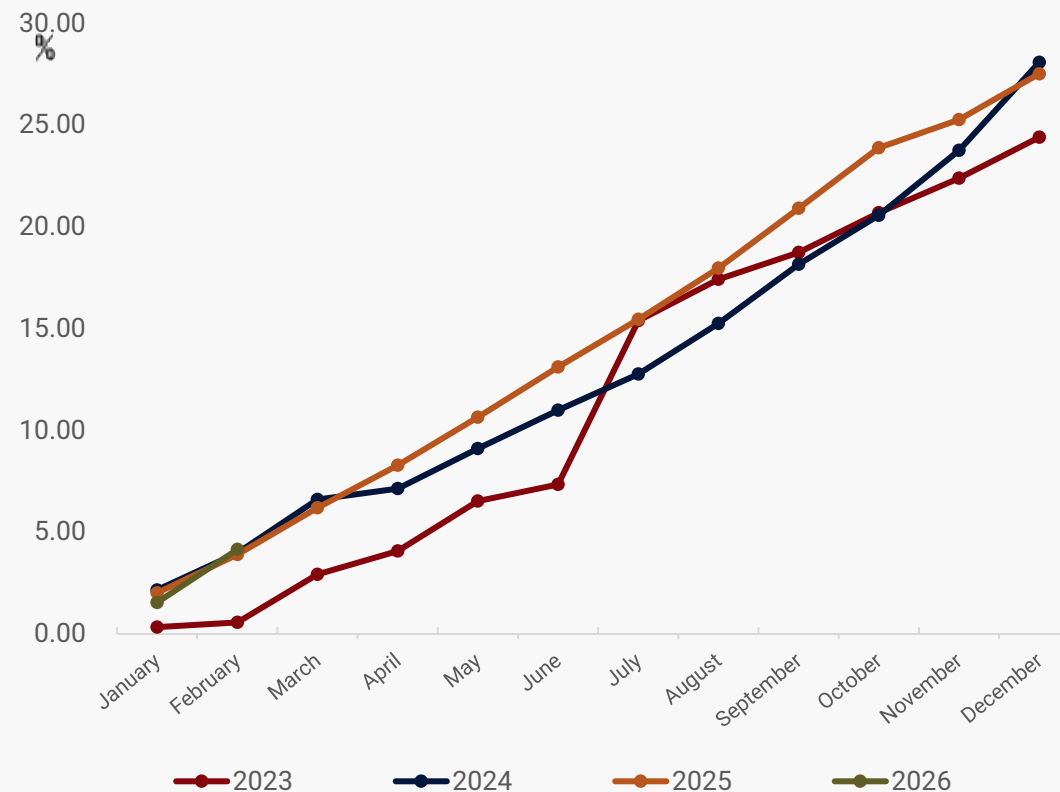
Growth rates of consumer lending also remained high

12-month growth rate of consumer credit stock



Source: the CBA

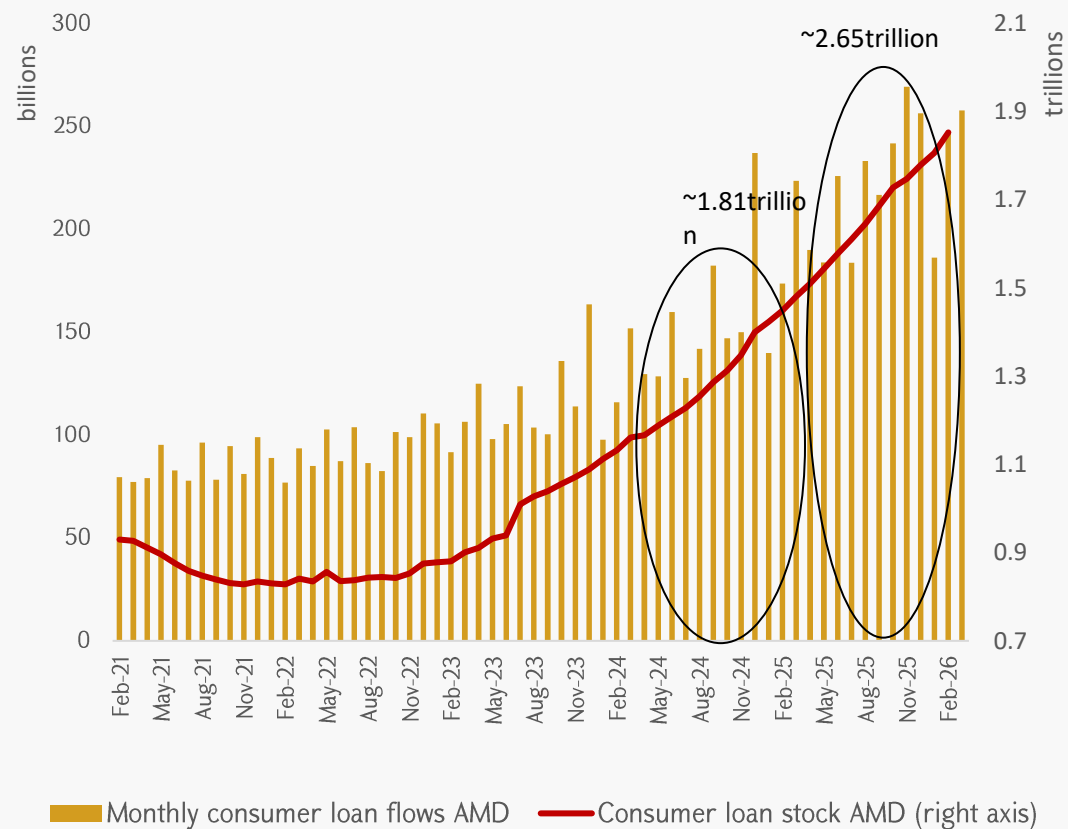
Growth rates of consumer credit stock compared to previous year end



Source: the CBA

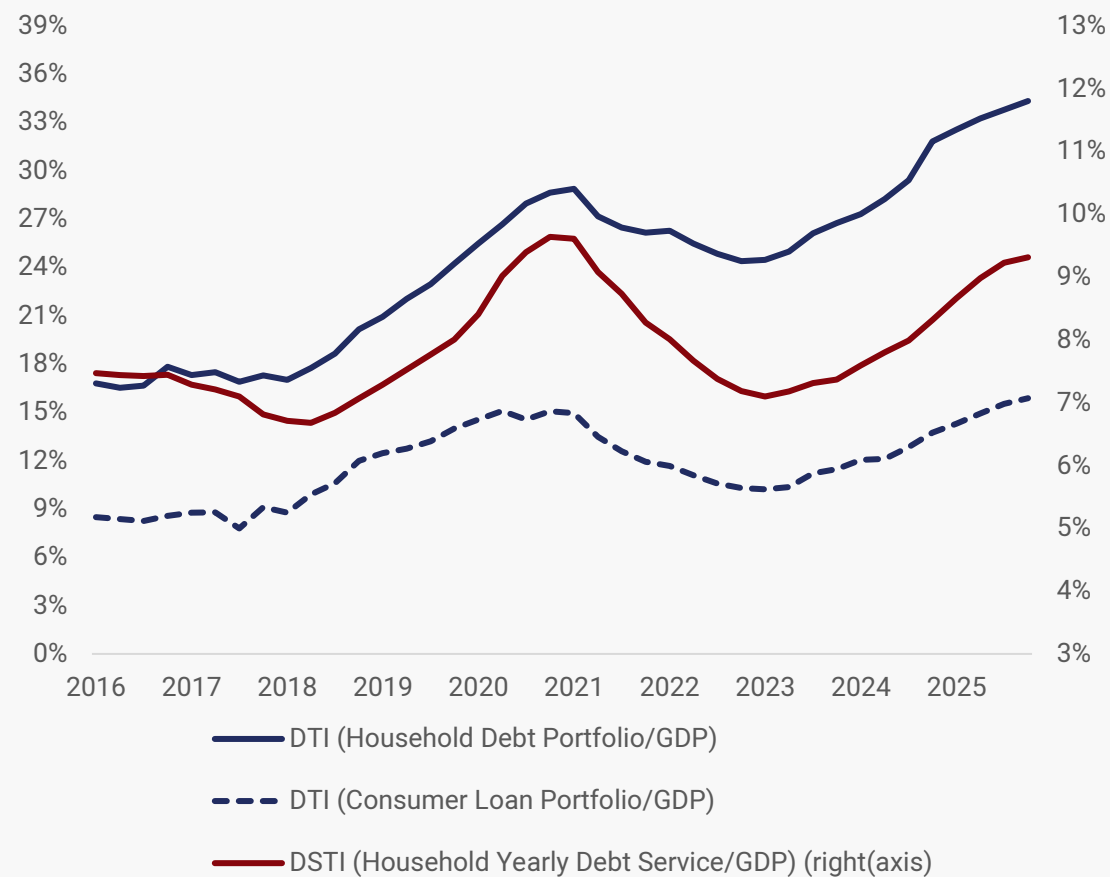
Growth of households' (HHs) debt burden continued

Stock and flow dynamics of consumer loans



Source: the CBA

Household DSTI and Household DTI

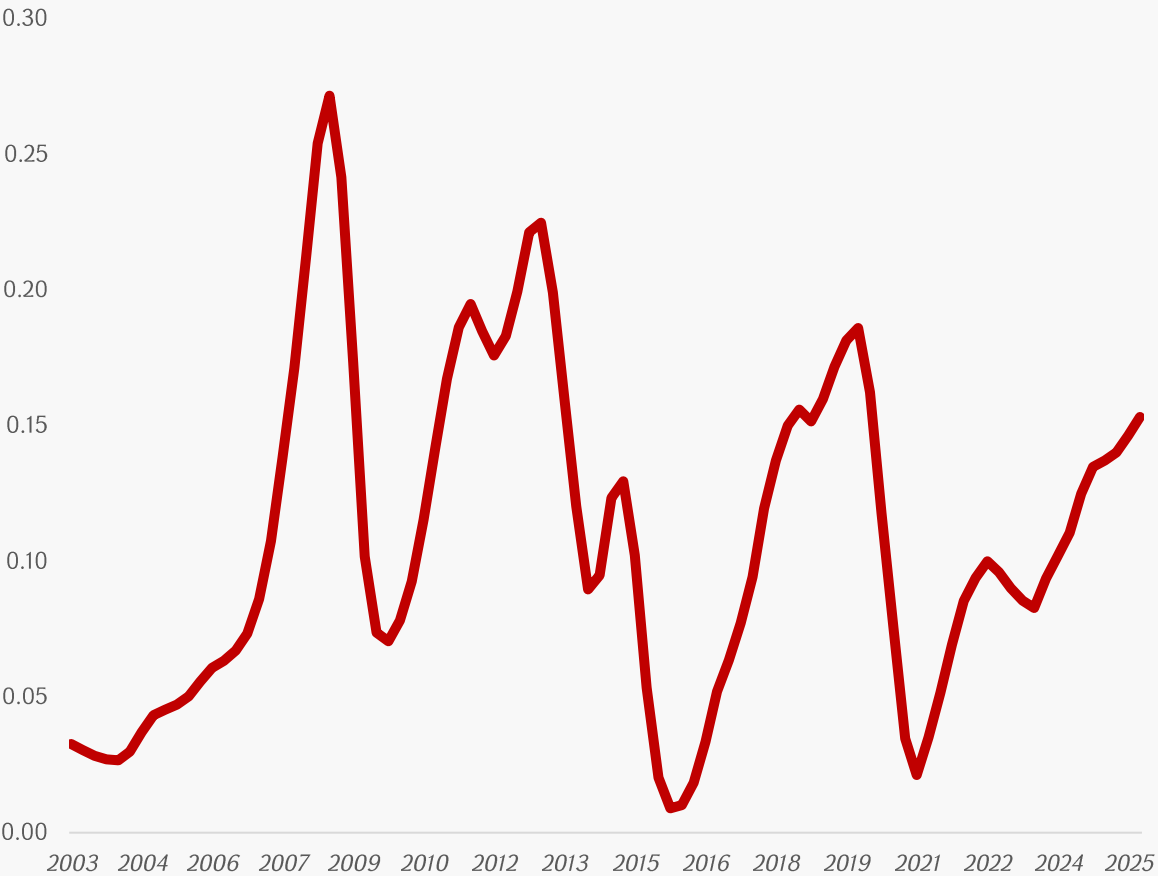


Source: the CBA

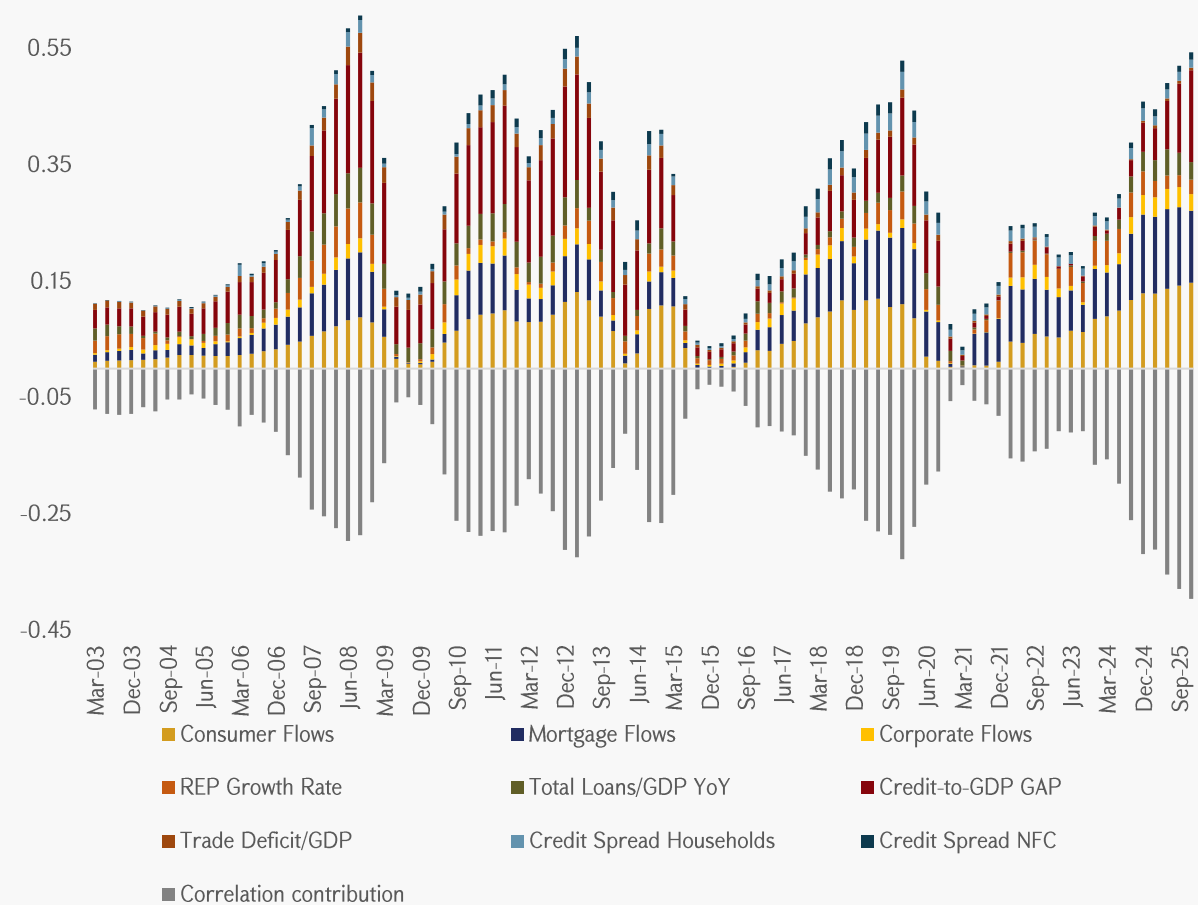
Financial Cycle Index and Credit-to-GDP Gap

The Financial Cycle Index increased, mainly due to the widening of the credit-to-GDP gap

The Financial Cycle Index

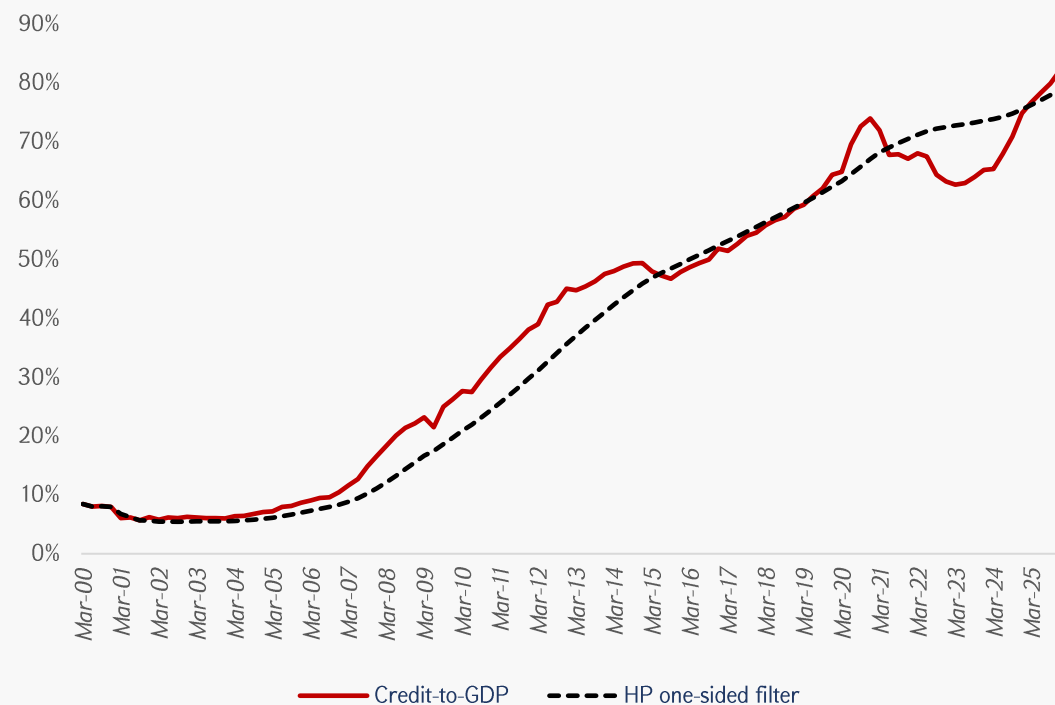


Contributions of the individual components of the Financial Cycle Index



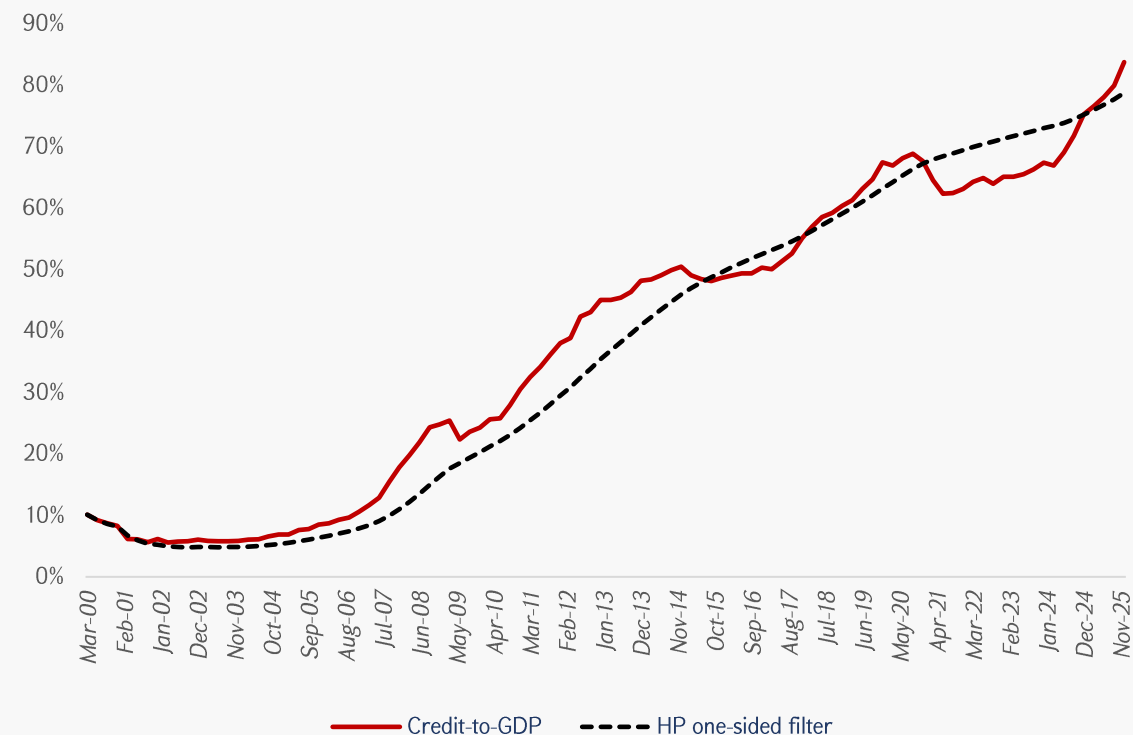
The credit/GDP gap reached 3.2 percentage points

The credit/GDP Ratio and its Long-Term Trend



Source: the CBA / Statistical Committee

*Credit/smoothed GDP ratio and its long-term trend**



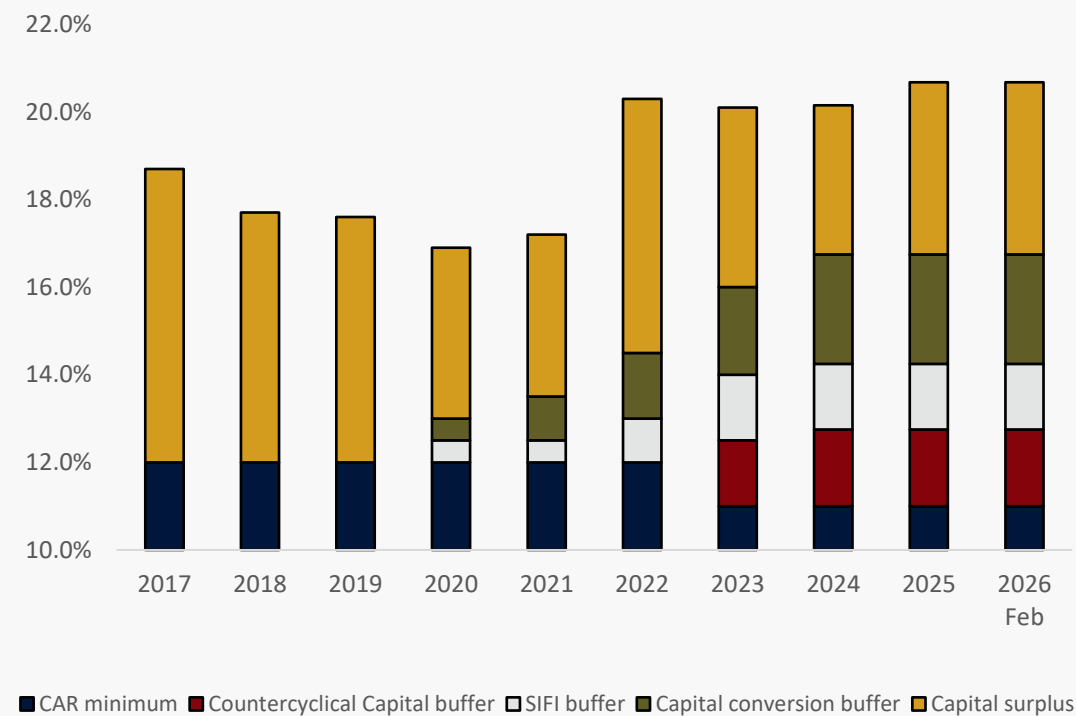
Source: the CBA / Statistical Committee

* The indicator was calculated based on the GDP smoothed series.

Risk Absorption Capacity

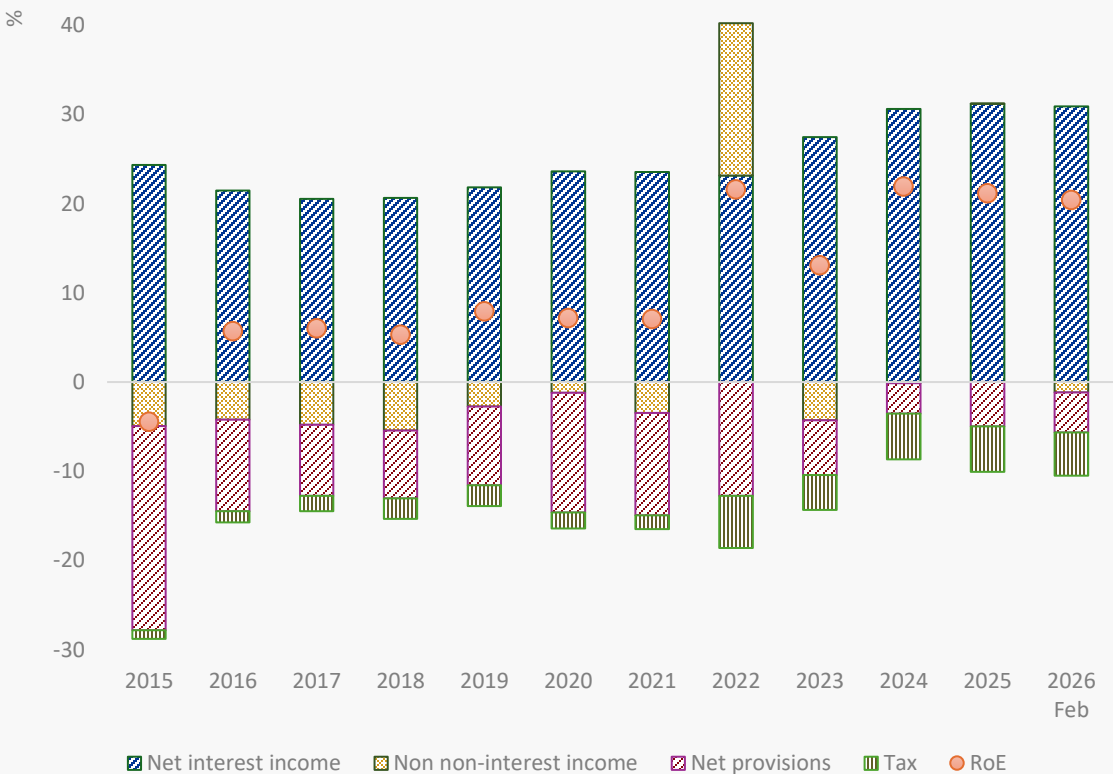
Capital surplus above the minimum requirement has remained almost unchanged. Return on equity has slightly decreased

Capital adequacy ratio*



Source: the CBA

Return on equity by components

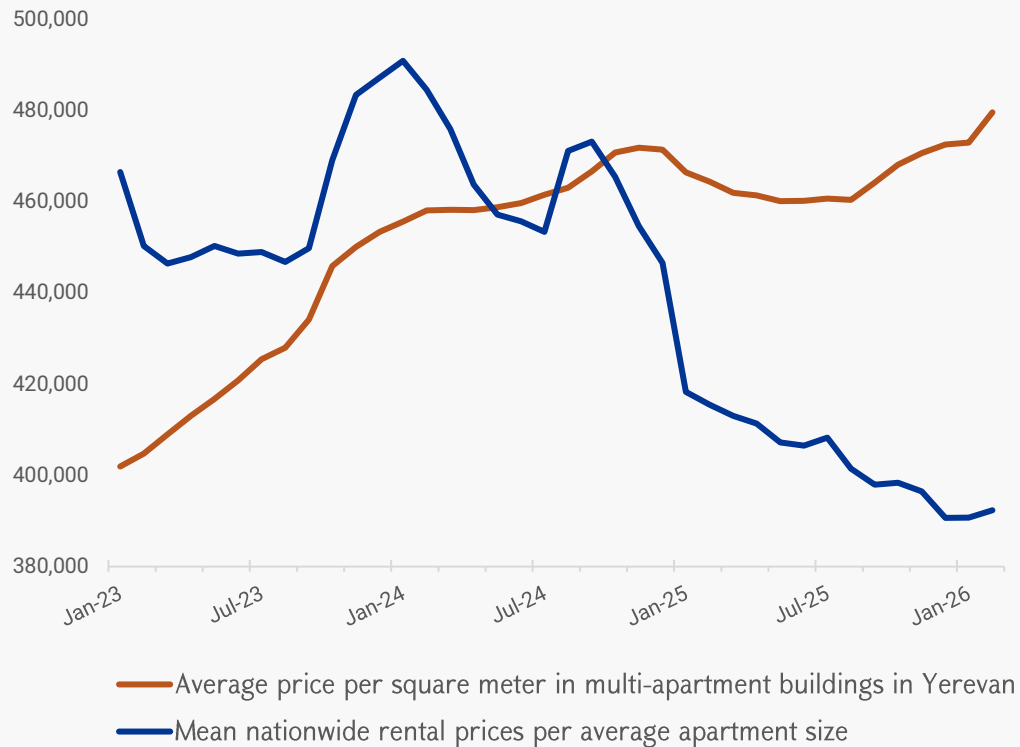


Source: the CBA

Real Estate Market Indicators

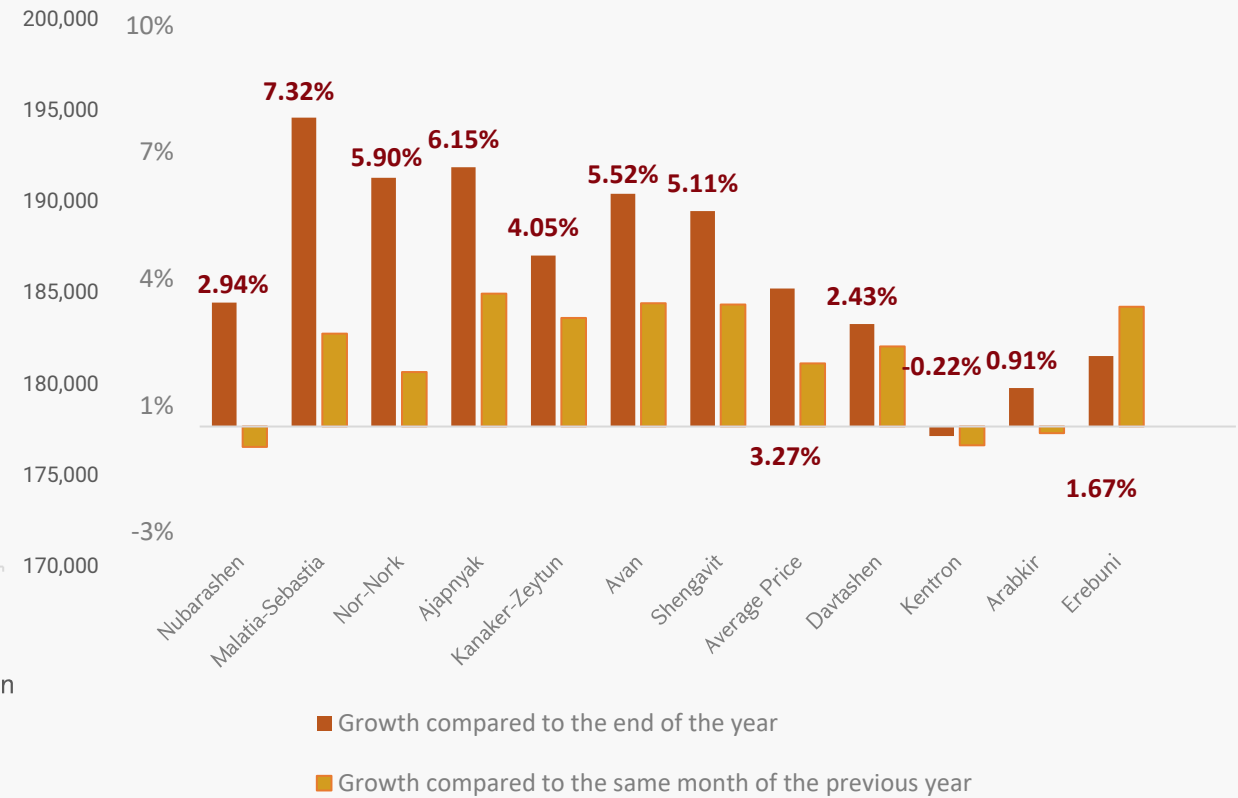
The average price of real estate has increased slightly compared to the end of the year, while rental payments have remained almost unchanged

Price per square meter of real estate and rental prices



Source: Cadaster Committee of the Republic of Armenia / Statistical Committee

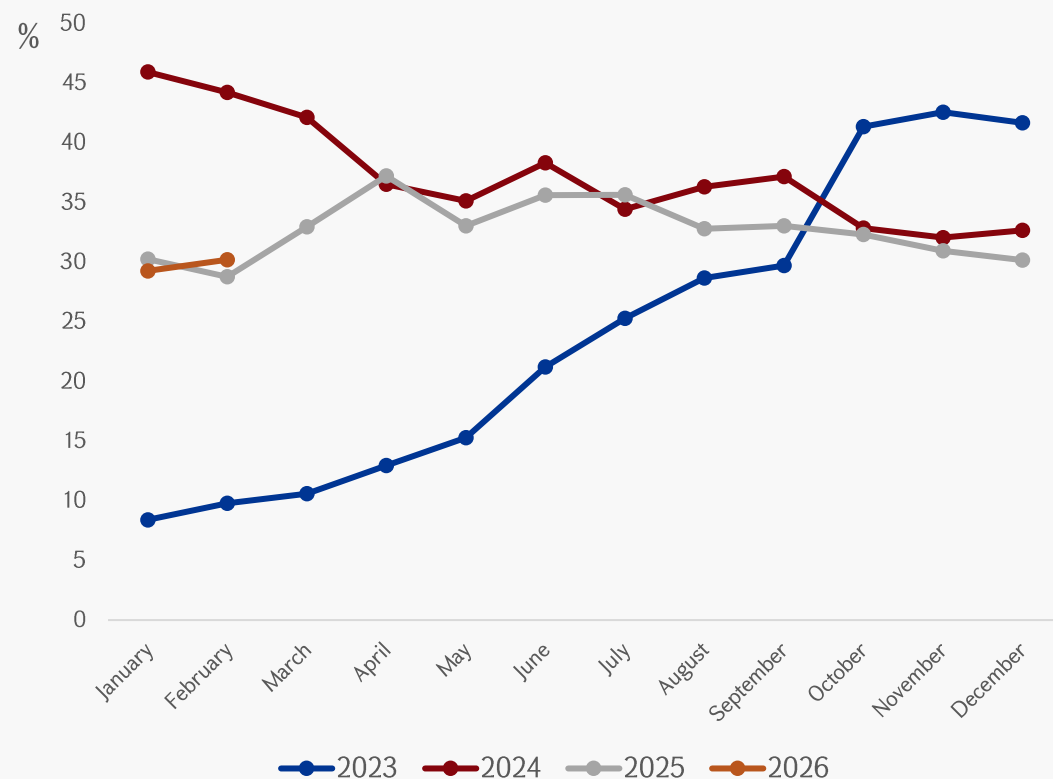
Changes in real estate prices by administrative districts of Yerevan



Source: Cadaster Committee of the Republic of Armenia / CBA

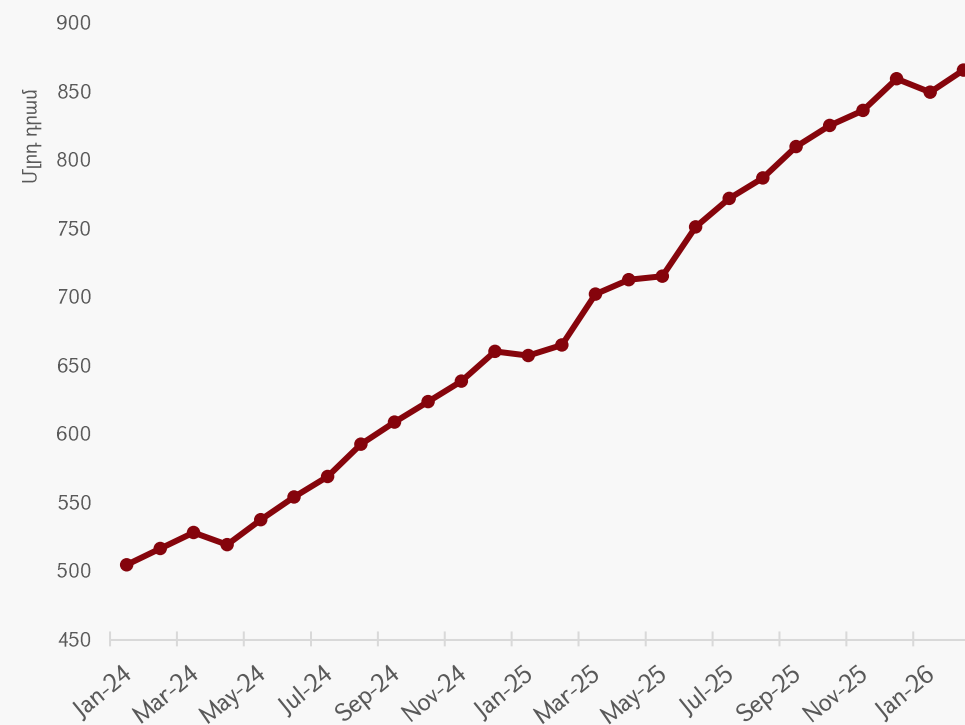
Annual growth rate of construction loans remained high

Annual growth rates of construction loans



Source: the CBA

Construction loan stock



Source: the CBA

- ✓ The growth rate of lending to the economy has remained at a high level. However, developments in lending sectors were different. In particular:
 - Consumer loan growth remained at a high level
 - Mortgage loan growth rates continued to decline
 - Business loan growth was largely driven by the high growth rates of loans in the construction sector
- ✓ The debt burden of households (Debt to Income), as well as the debt service burden of the latter (Debt service to Income), continued to grow. At the same time, the observed increase in the maturity of the loan portfolio, as well as the loan programs implemented within the framework of state support, mitigate credit risks in terms of debt service.
- ✓ The growth of the Loans/GDP gap and the Financial Cycle Index continued.
- ✓ From May 1, 2026, the tightening of liquidity requirements (LCR, NSFR) will come into force, which may mitigate/restrain risks associated with the further growth of the credit cycle.
- ✓ Systemic risks continue to be driven primarily by external geopolitical and regional uncertainties

The countercyclical capital buffer (CCyB) rate was set at 1.75%.