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# Armbusinessbank Enters Market With Ambitious Plans.

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Yerevan, January 16. ArmInfo. Having changed its brand and shareholders in August 2006, the ArmBusinessBank (former ArmInvestBank) intends to enter the market with ambitious plans and join the number of the largest banks of the country in 2007.

Ara Kirakosyan, the chairman of the ABB's Board, told an ArmInfo correspondent that the bank is successfully conducting a closed issue of shares in the amount of 2.6 bln AMD and it will increase the authorized capital to 5.0 bln AMD in the first quarter of 2007.

According to him, the ABB finished the year 2006 with 16.6 bln AMD assets. In the beginning of October 2006, the rate of assets was a little more than 9 bln. He noted that by the end of 2007, the bank plans to continue increasing the capital and to double the rate of assets. Before the change of the shareholders, the ABB held the last positions and worked exclusively in narrow segments of the bank market. Since September 2006, the bank's policy has abruptly changed.

Now it renders the whole spectrum of banking services and successfully performs the task of diversifying the advance portfolio.

A.Kirakosyan said that over the last four months of 2006, the advance portfolio grew from 2 bln to 5.9 bln AMD, the volume of consumer crediting doubled and totalled 1.221 bln. The volume of provided mortgage credits grew from the zero mark to 275 mln AMD, the autocrediting increased to 67 mln. One of the priority tasks is to strengthen the ABB's positions in crediting the small and medium business as the most profitable field of the credit market. Since September 2006, the bank's indicators in this segment have tripled - from 1.5 bln to 4.4 bln AMD. The advance portfolio on mortgages is to increase four times by the end of the current year.

Special attention in implementation of the business-strategy of the Bank is paid to the growth of non-interest incomes by enlarging the services rendered to the population, including organization of the system of communal and other payments. According to A.Kirakosyan, agreements with ArmRosgazprom company and VivaCell cellular operator are already signed, relations with the telecommunicational company, the and the Armenian water- supply services are at the stage of negotiations.

"We must present the whole portfolio of services on costs to our clients. Linking them to other spheres of the bank's retail v card segment, deposit business and general politics and that for enlarging the number of corporative clients, wages and other projects for those", he said.

ABB became a member of the "ArCa" Joint National Payment System.

Apart from the local cards, the bank will soon start emitting the MasterCard. ABB aims to become a member of Visa International and establish strong contragent relations with American Express - to provide alike services in Armenia. ABB's system of monetary transfers is being set out. Ukrprombank is the key investor. They hope that there will be enough demand for ABB's services from Armenian community of Ukraine.

The bank studies the possibility of entering the bank standard bars market. "Effective business mechanisms are to be worked out and regulated and the prices - correctly forecasted", A. Kirakosyan said and added that the market of bank gold is extremely interesting and prospective. He added that this bank had no branches before but now intends to lead an aggressive regional policy.

ABB's large office was open in Mashtots Ave. in Yerevan. Its offices will be open in Gyumri and Vanadzor cities soon. The bank's branches will be set out in Malatya community in Tallinn, Kajaran, Armavir and Stepanakert - the capital of Nagorno-Karabakh Republic (NKR).

ABB's regulations were re-registered on August 25, 2006 with a new board of stockholders. The key stockholders are: Ukrprombank (35%), Ukrainian insurance company Alfa-Garant (35%) and the British company "Christa Management" (30%).

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