



ANALYST HANDOUT

01.04.2016 – 01.07.2016
quarterly

Disclaimer



Certain information contained in this presentation may include forward-looking statements. Such forward-looking statements are not guarantees of future performance. These statements are based on management's current expectations or beliefs as of the date of this presentation and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The Bank disclaims any intention or obligation to publicly update or revise any forward-looking statements.

Basis of calculation: all figures in this presentation are based on IFRS audited financial statements or financial statements reviewed by auditors unless stated otherwise.

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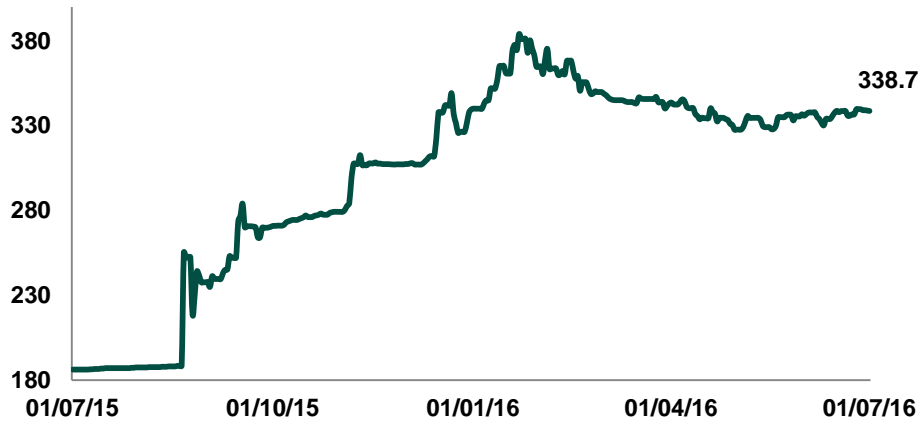


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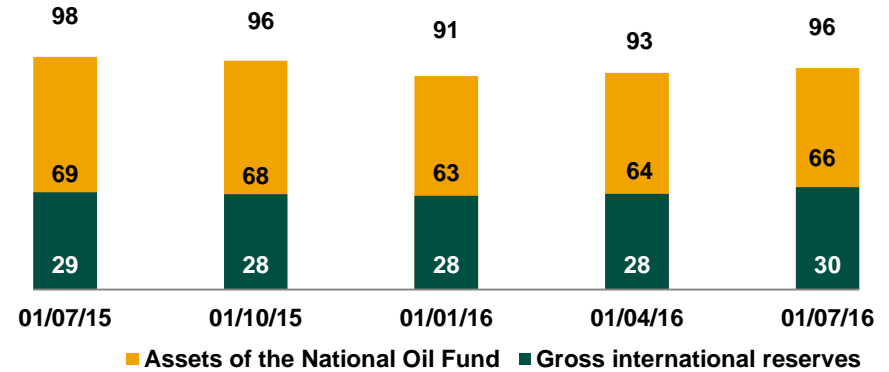
Macroeconomic Data of Kazakhstan

USD/KZT Exchange Rate

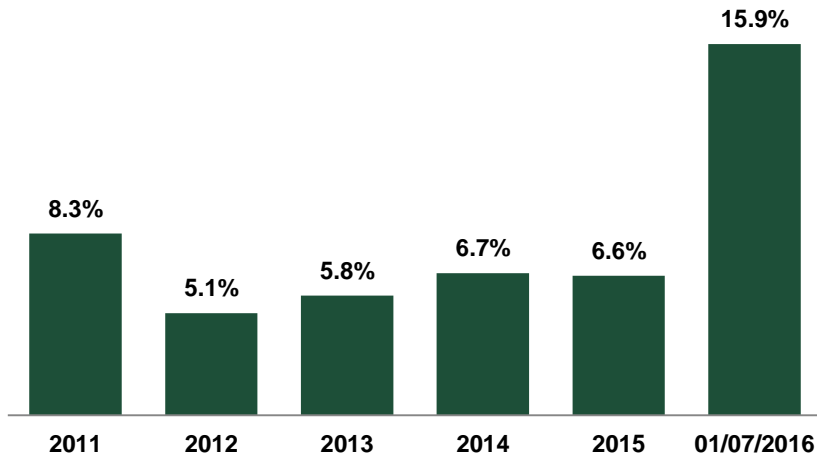


International Reserves

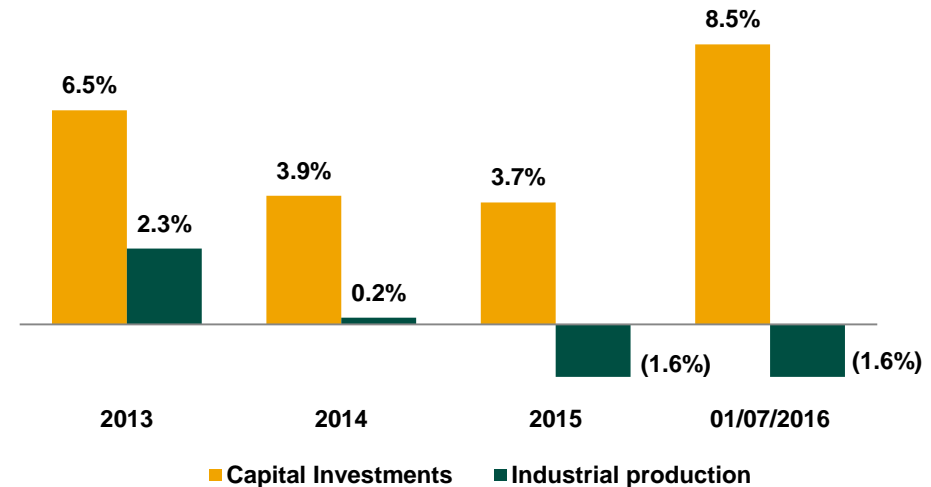
USD bn



Inflation *



Selected Macroeconomic Indices



* year-to-year

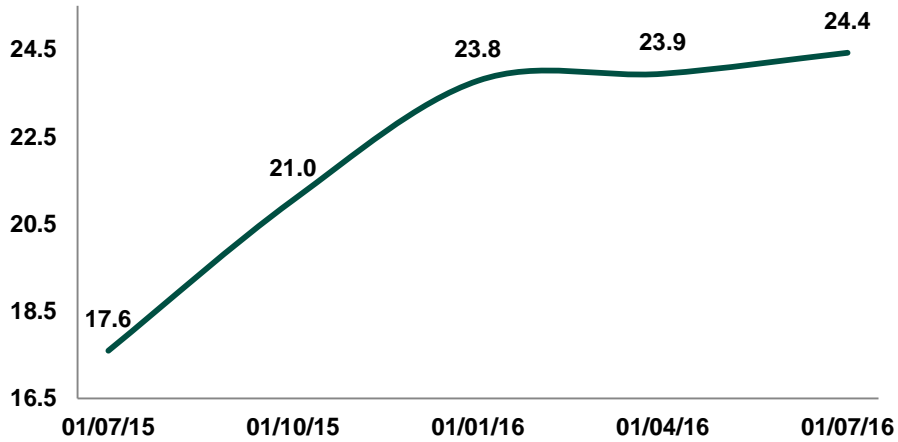
Source: National Bank of Kazakhstan

Banking Sector of Kazakhstan



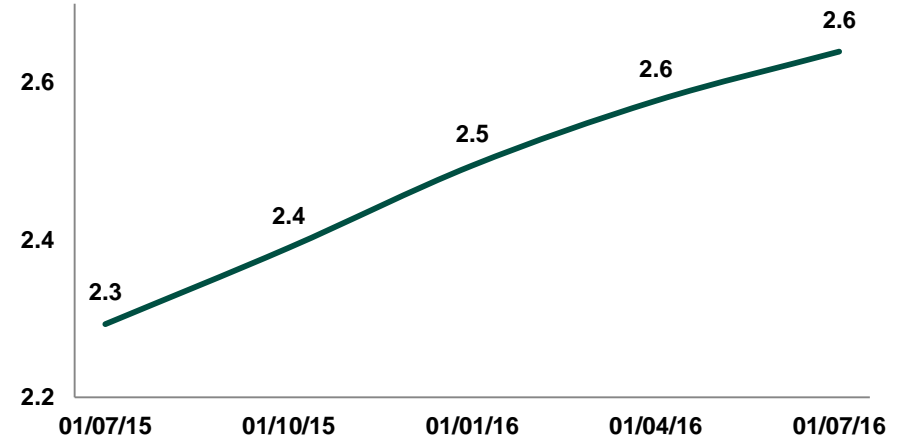
Total Assets

KZT tn



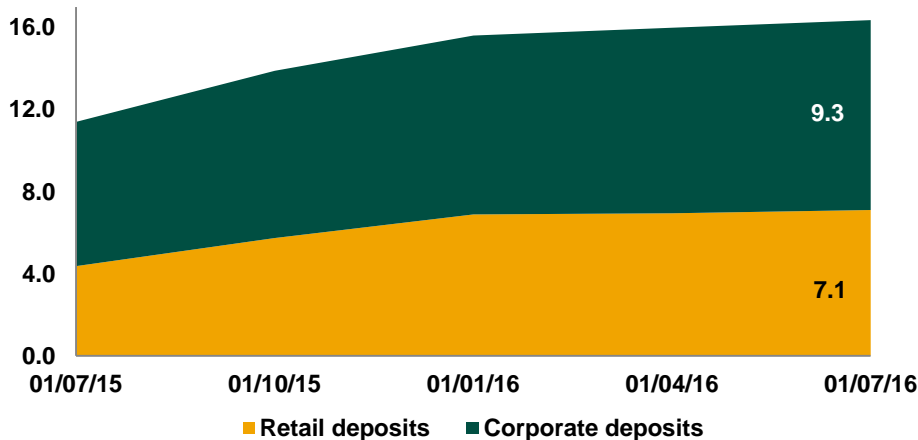
Equity

KZT tn

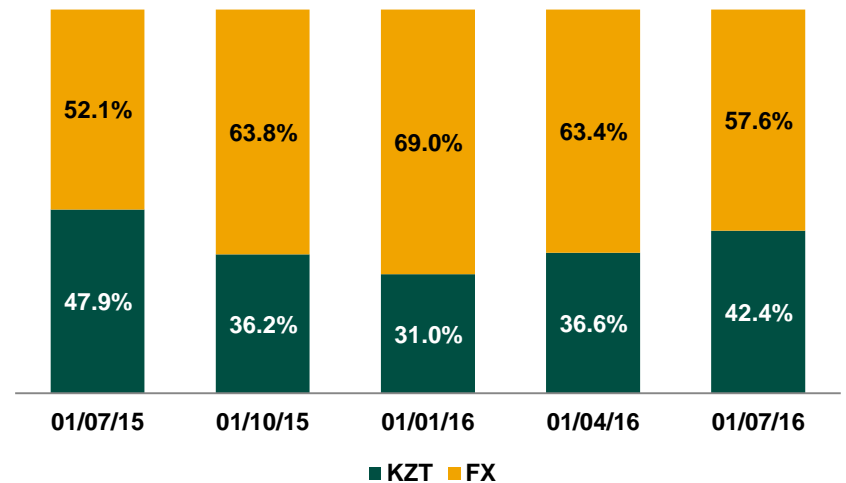


Total Deposits

KZT tn



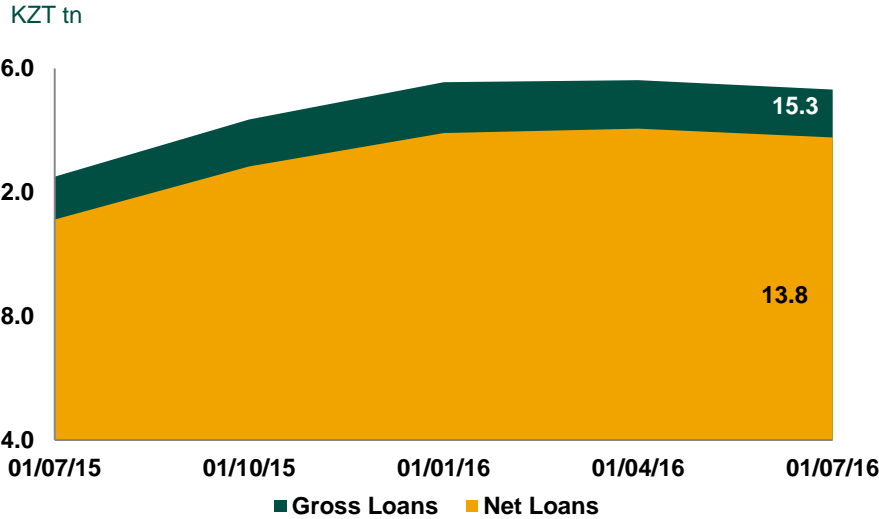
Deposits by Currency



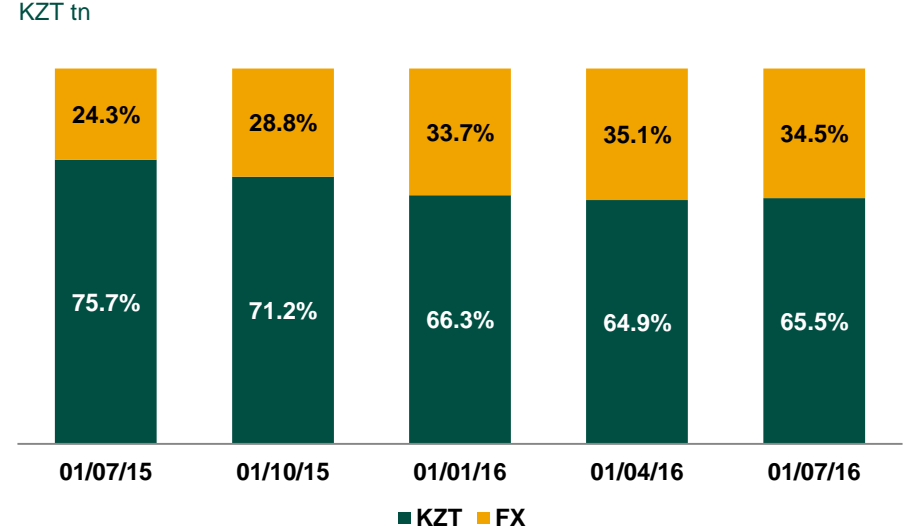
Banking Sector of Kazakhstan



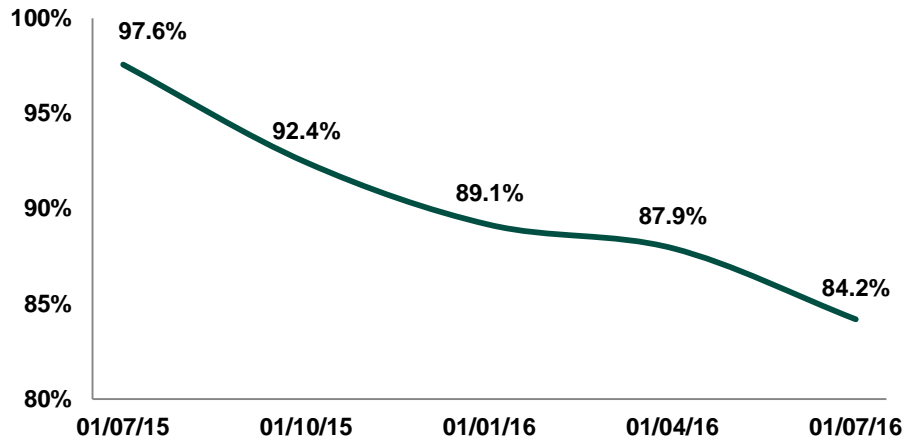
Loan Portfolio



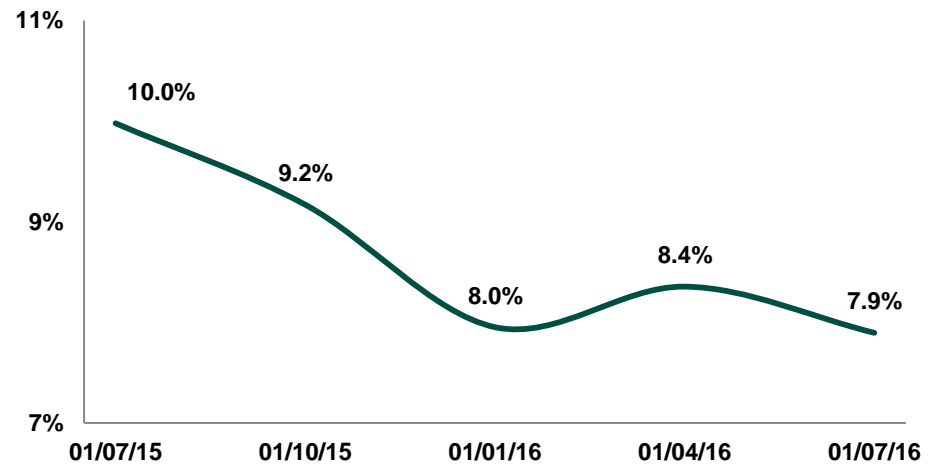
Loans by Currency



Loan to Deposit Ratio



NPLs 90+



Ratings, 01.07.2016



Sovereign Credit Ratings of Kazakhstan

Moody's Investors Service

Country Ceiling: Foreign Currency Debt	Baa3
Country Ceiling: Foreign Currency Bank Deposits	Baa3
Government Bonds	Baa3
Outlook	Negative

Fitch Ratings

Long Term Issuer Default Rating	BBB
Short Term Issuer Default Rating	F2
Local Currency Long Term Issuer Default Rating	BBB
Country Ceiling	BBB+
Outlook	Stable

Standard and Poor's

Foreign Long Term	BBB-
Foreign Short Term	A-3
Local Long Term	BBB-
Local Short Term	A-3
Outlook	Negative

Credit Ratings of Halyk Bank

Moody's Investors Service

Long Term Bank Deposits Rating	Ba2
Short Term Bank Deposits Rating	Not prime
Outlook	Negative

Fitch Ratings

Long Term Issuer Default Rating	BB
Short Term Issuer Default Rating	B
Viability Rating	bb
Support Rating	4
Outlook	Stable

Standard and Poor's

Long Term Rating	BB
Short Term Rating	B
Outlook	Stable

Industry Ranking – Top 5 Kazakhstan Banks

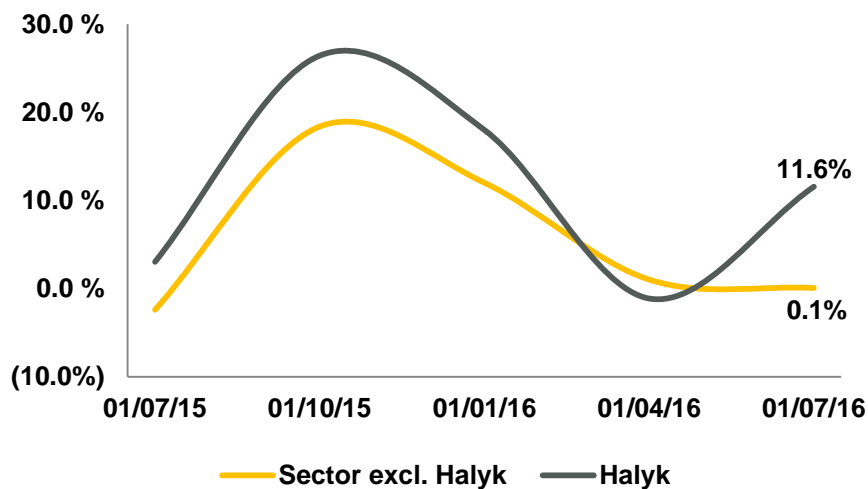


Total Assets, 01.07.2016	Amount, KZT bn	Market share	Total Deposits, 01.07.2016	Amount, KZT bn	Market share	Total Liabilities, 01.07.2016	Amount, KZT bn	Market share
JSC KKB	4,816	19.7%	JSC Halyk Bank	3,083	18.8%	JSC KKB	4,378	20.1%
JSC Halyk Bank	4,473	18.3%	JSC KKB	3,040	18.6%	JSC Halyk Bank	3,925	18.0%
JSC TsesnaBank	1,995	8.2%	JSC TsesnaBank	1,446	8.8%	JSC TsesnaBank	1,853	8.5%
JSC SberBank	1,587	6.5%	JSC SberBank	1,095	6.7%	JSC SberBank	1,440	6.6%
JSC BCC	1,311	5.4%	JSC ATF Bank	976	6.0%	JSC BCC	1,220	5.6%
Gross Loans, 01.07.2016	Amount, KZT bn	Market share	Total Corporate Deposits, 01.07.2016	Amount, KZT bn	Market share	Equity, 01.07.2016	Amount, KZT bn	Market share
JSC KKB	3,870	25.3%	JSC KKB	1,646	17.8%	JSC Halyk Bank	548	20.8%
JSC Halyk Bank	2,226	14.5%	JSC Halyk Bank	1,612	17.4%	JSC KKB	438	16.6%
JSC TsesnaBank	1,555	10.2%	JSC TsesnaBank	881	9.5%	JSC Fortebank	169	6.4%
JSC SberBank	970	6.3%	JSC ATF Bank	602	6.5%	JSC SberBank	147	5.6%
JSC BCC	919	6.0%	JSC SberBank	561	6.1%	JSC TsesnaBank	141	5.4%
Net Loans, 01.07.2016	Amount, KZT bn	Market share	Total Retail Deposits, 01.07.2016	Amount, KZT bn	Market share	Net Income, 6m 2016	Amount, KZT bn	Market share
JSC KKB	3,337	24.2%	JSC Halyk Bank	1,471	20.7%	JSC KKB	60	28.0%
JSC Halyk Bank	1,935	14.1%	JSC KKB	1,394	19.6%	JSC Halyk Bank	59	27.7%
JSC TsesnaBank	1,448	10.5%	JSC Kaspi Bank	638	9.0%	JSC Citi Bank Kazakhstan	15	6.9%
JSC SberBank	899	6.5%	JSC TsesnaBank	565	8.0%	JSC Kaspi Bank	12	5.8%
JSC BCC	818	5.9%	JSC SberBank	534	7.5%	JSC Zhilstroisberbank Kazakhstan	12	5.6%

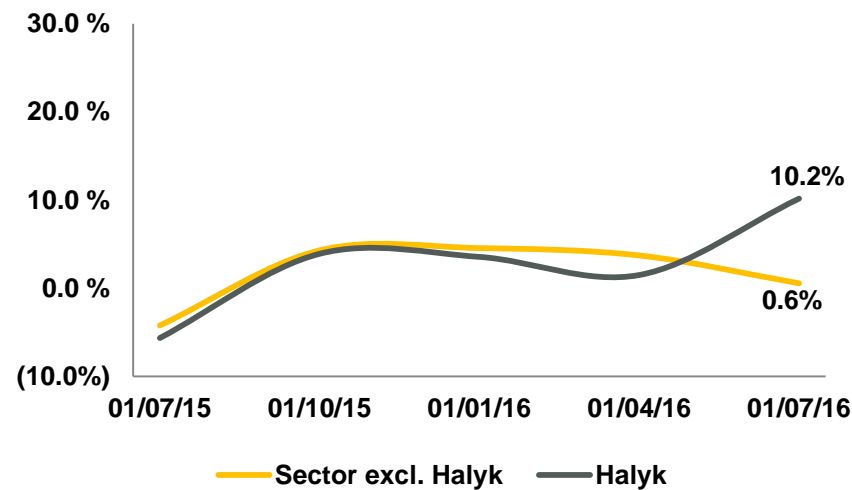


Halyk Bank vs. Sector

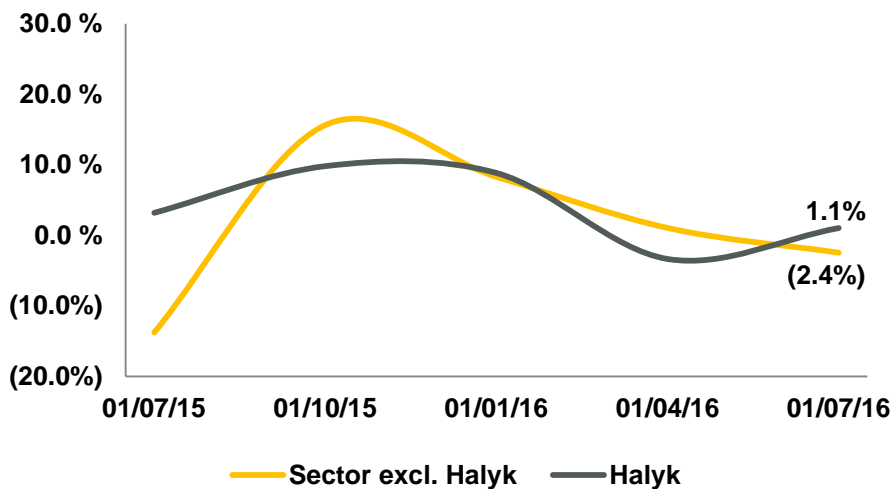
Growth Rate of Total Assets



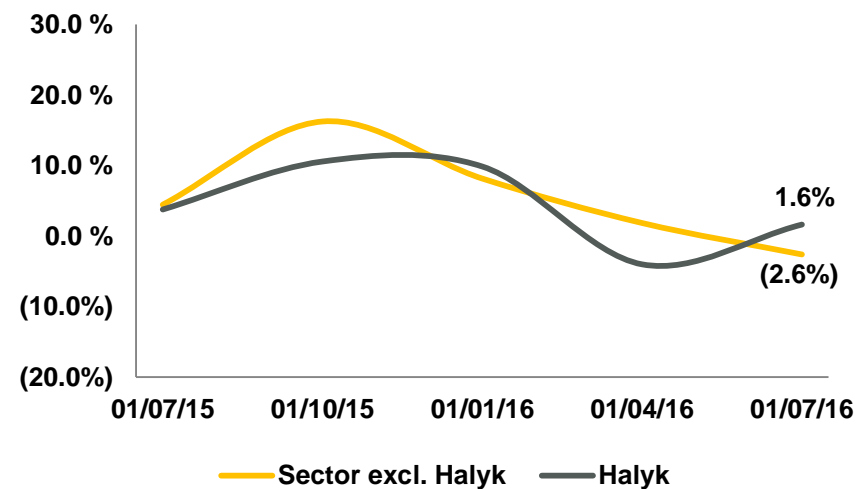
Growth Rate of Equity



Growth Rate of Gross Loans



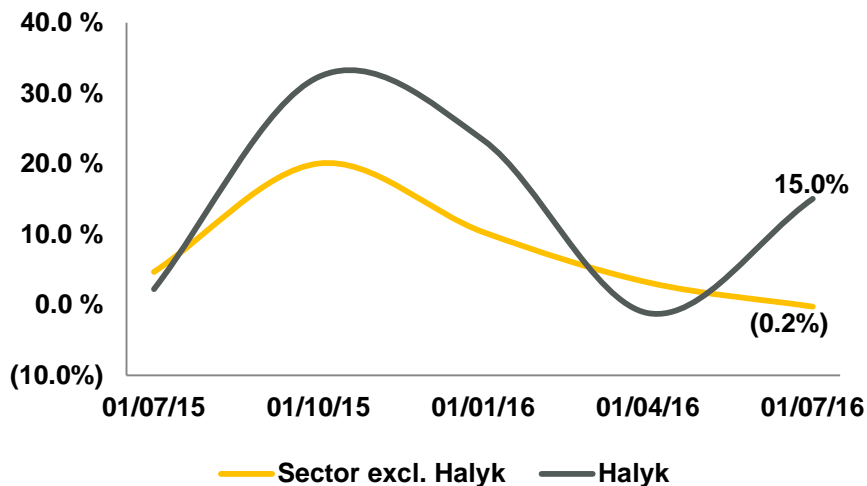
Growth Rate of Net Loans



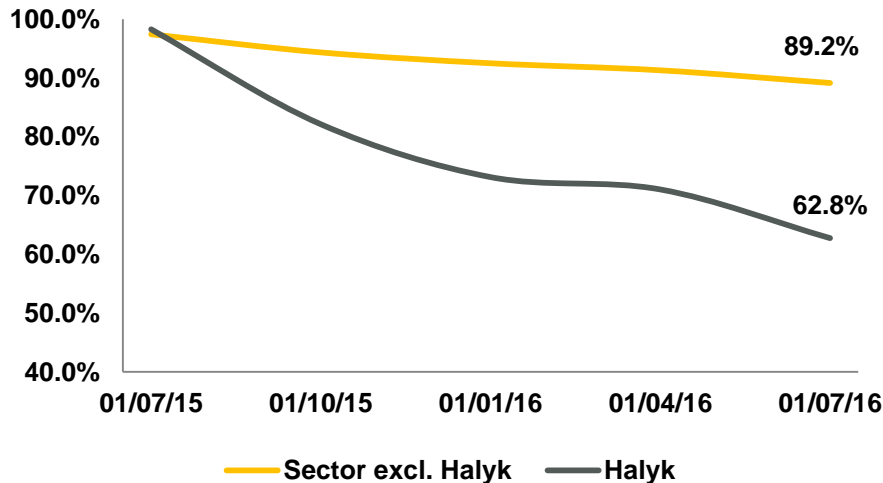
Halyk Bank vs. Sector



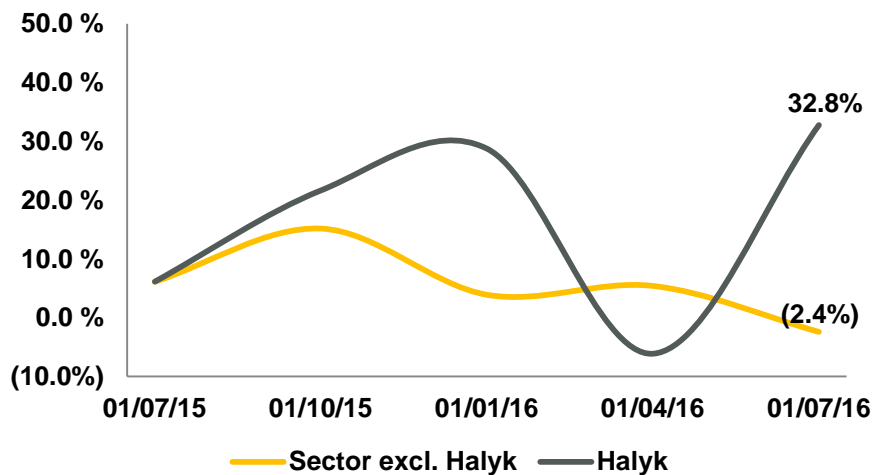
Growth Rate of Total Deposits



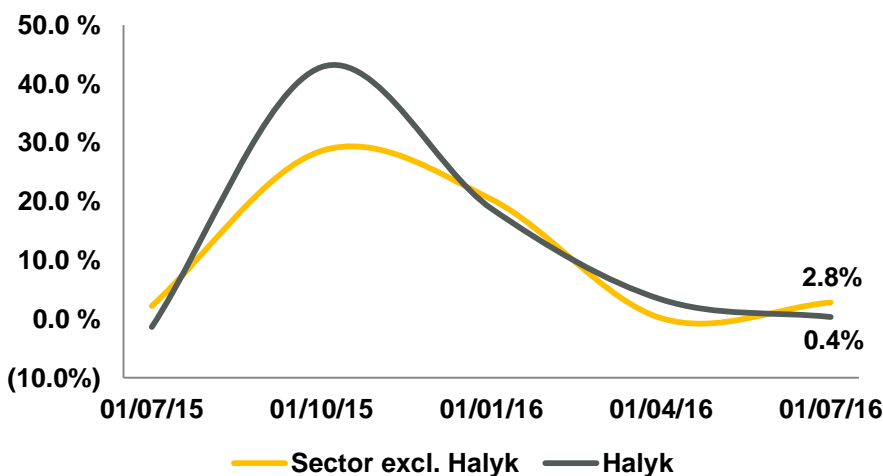
Loan to Deposit Ratio



Growth Rate of Corporate Deposits



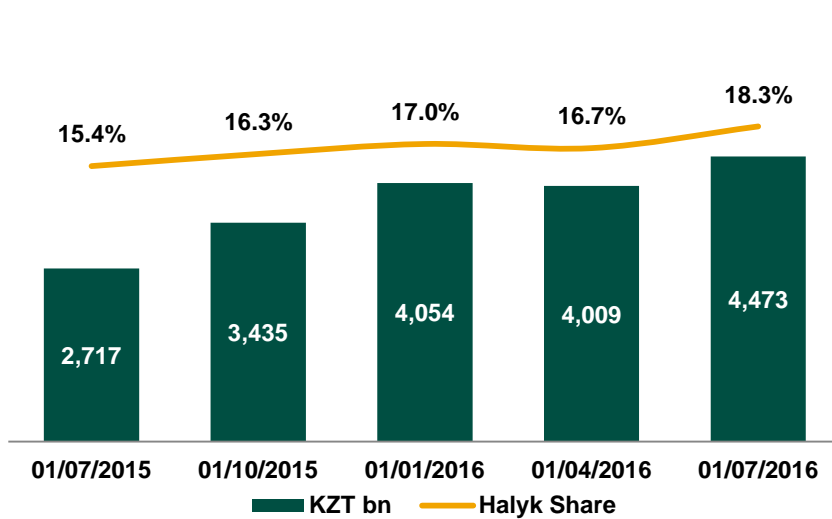
Growth Rate of Retail Deposits



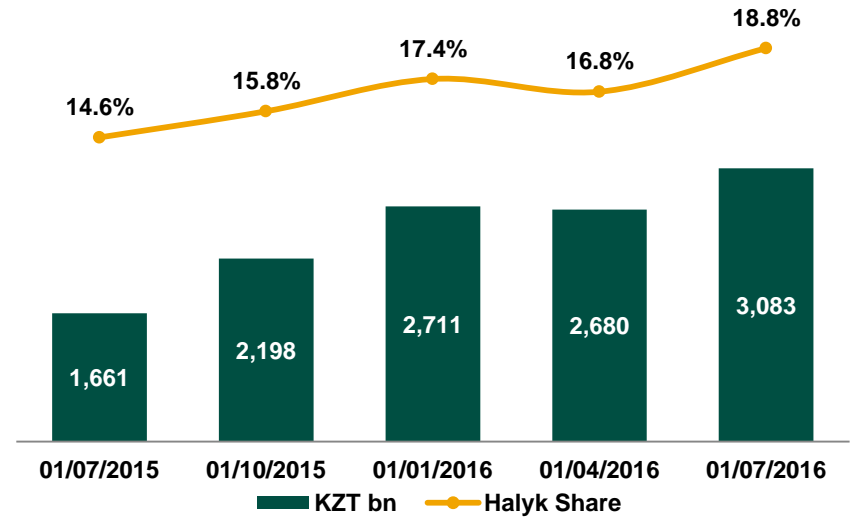
Market Position of Halyk Bank



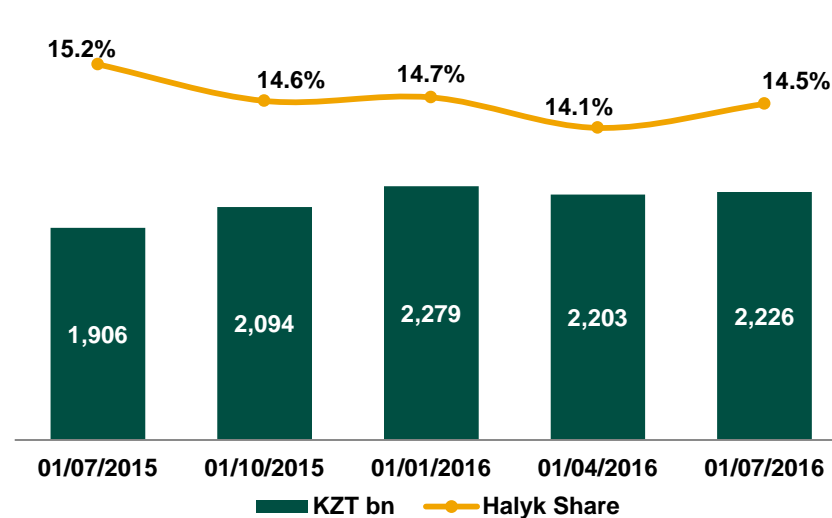
Total Assets



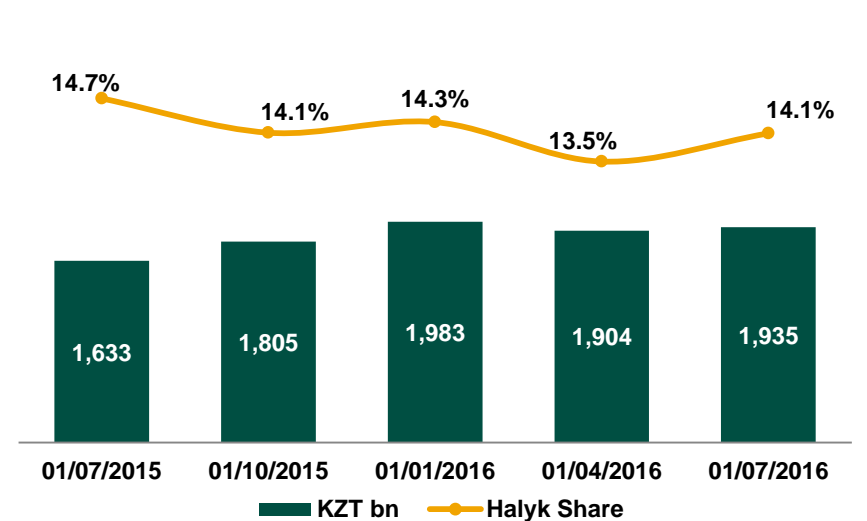
Total Deposits



Gross Loans



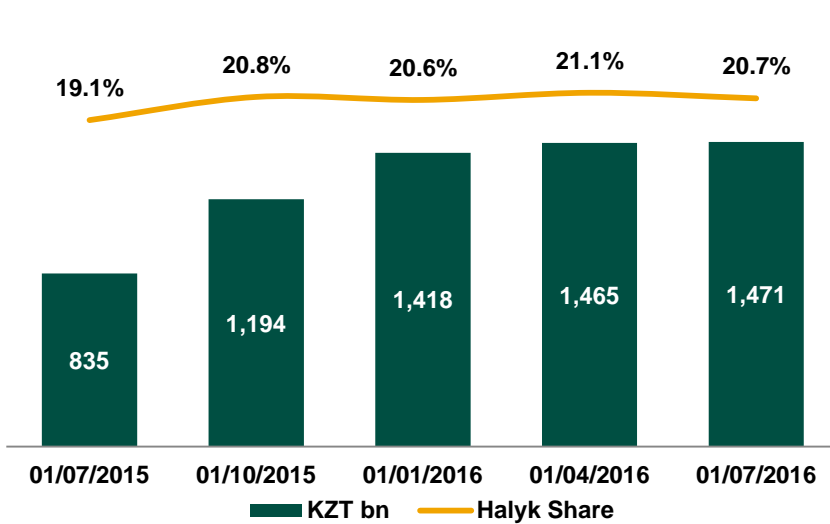
Net Loans



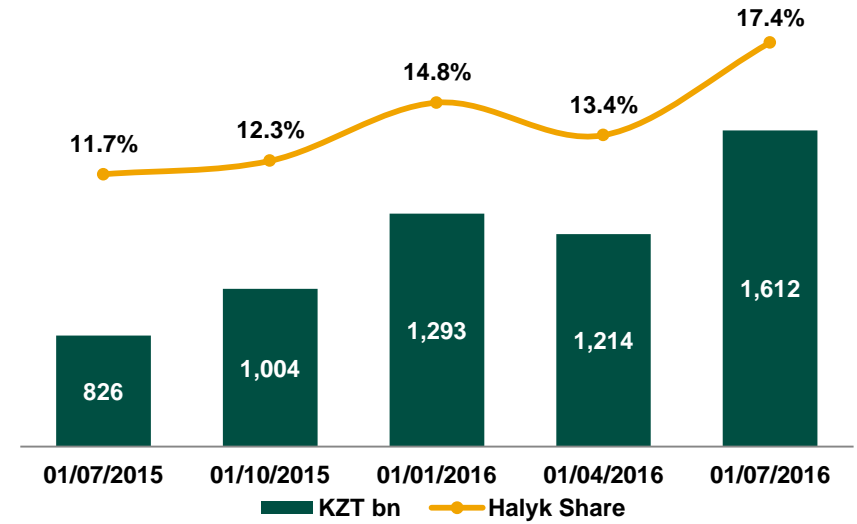


Market Position of Halyk Bank

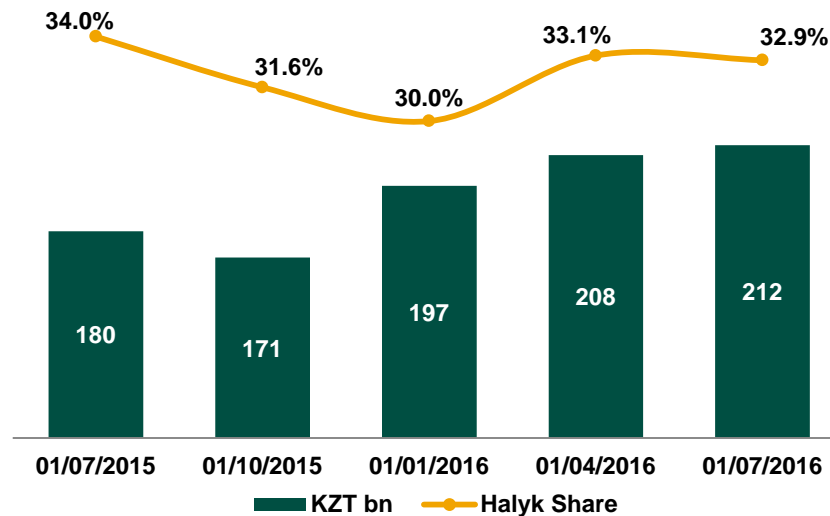
Total Retail Deposits



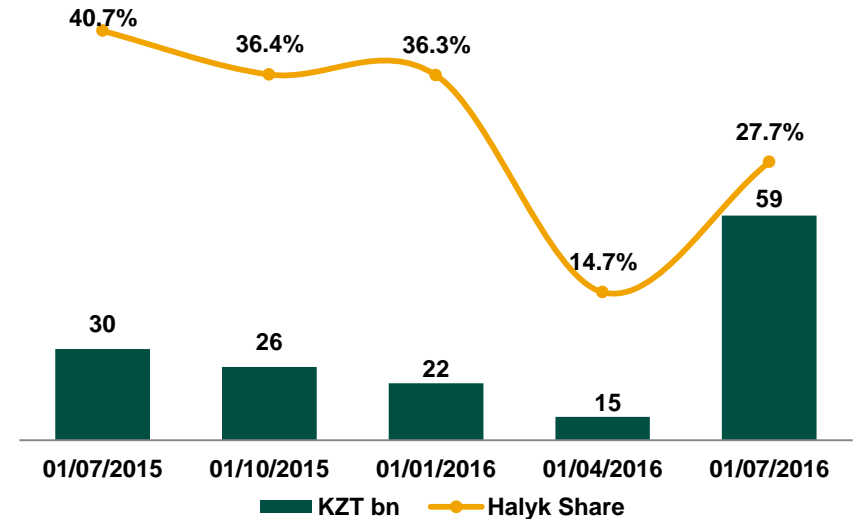
Total Corporate Deposits



Retail Current Accounts



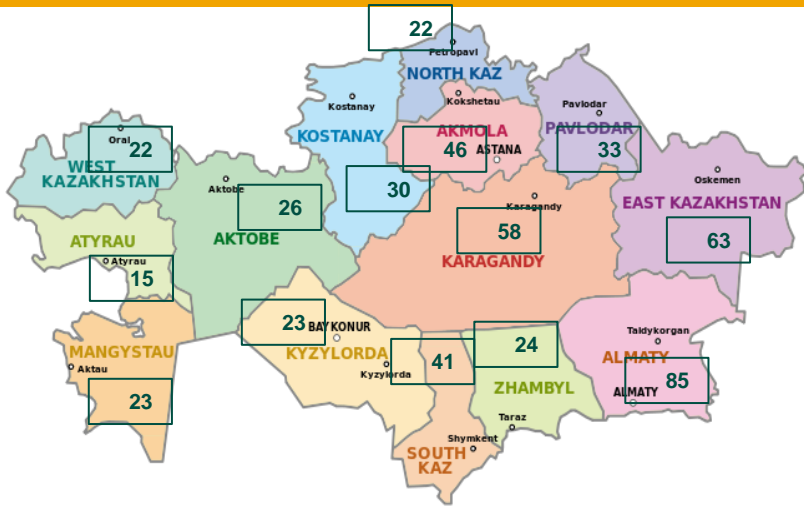
Net Income



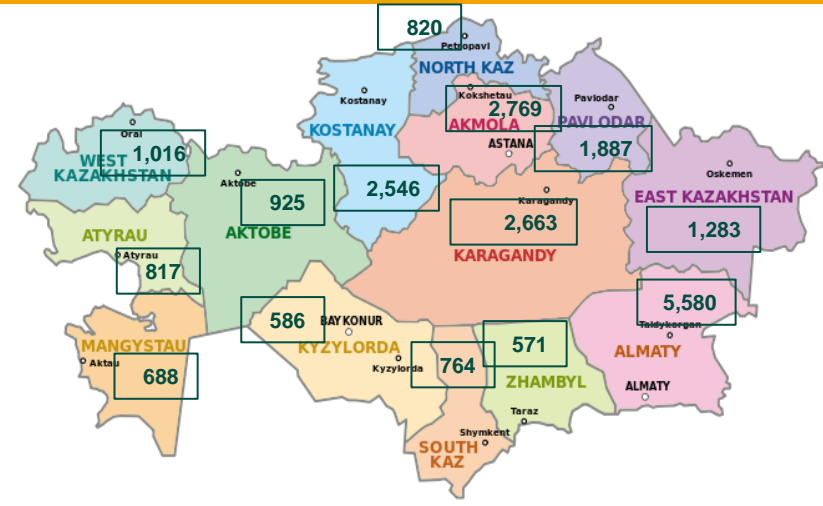


Market Penetration of Halyk Bank

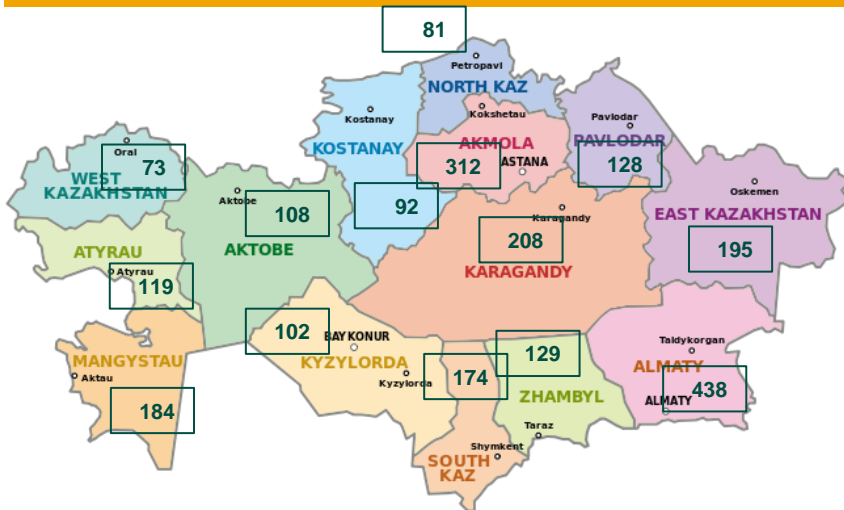
Outlets (total - 511), 01.07.2016



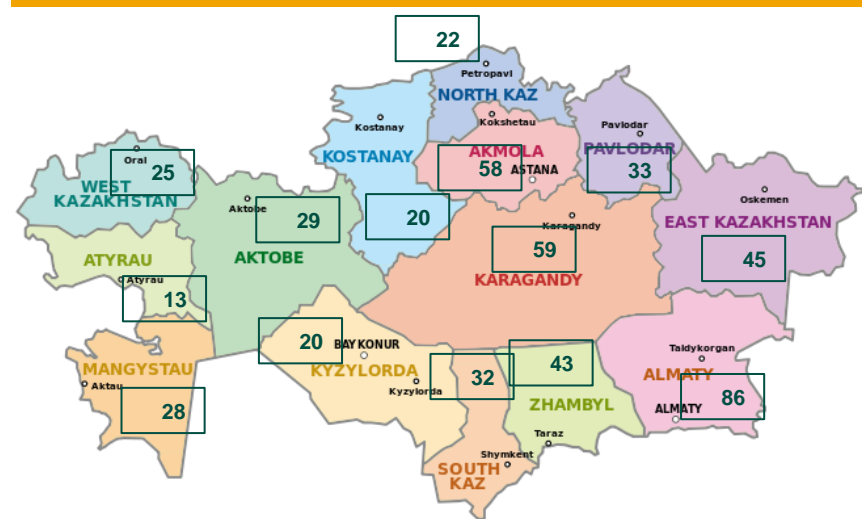
POS-terminals (total - 22,915), 01.07.2016



ATMs (total - 2,343), 01.07.2016



Multikiosks (total - 513), 01.07.2016



Shareholder Structure of Halyk Bank, 01.07.2016



№	Name	Total number of shares owned	Total shares owned as % of total shares outstanding (on consolidated basis)	Common shares owned (NIN KZ1C33870011)	Common shares owned as % of total shares outstanding (on consolidated basis)	Preferred shares owned (NIN KZ1P33870117, KZ1P33870216)	Preferred shares owned as % of total shares outstanding (on consolidated basis)
1	JSC Holding Group ALMEX	8,086,451,772	73.6%	8,086,451,772	73.6%	-	-
2	JSC Single Accumulative Pension Fund	716,281,746	6.5%	716,281,746	6.5%	-	-
3	Held through GDR program	1,839,978,240	16.7%	1,839,978,240	16.7%	-	-
4	Other	350,768,431	3.2%	350,768,431	3.2%	-	-
5	Total outstanding (on consolidated basis)	10,993,480,189	100.0%	10,993,480,189	100.0%	-	-

Board of Directors and Management Board



Board of Directors of Halyk Bank, 01.07.2016

Alexander Pavlov

Chairman, Independent Director

Umut Shayakhmetova

Chairperson of the Management Board

Arman Dunayev

Independent Director

Franciscus Cornelis Wilhelmus Kuijlaars

Independent Director

Christof Ruehl

Independent Director

Anvar Saidenov

Independent Director

Mazhit Yessenbayev

JSC Holding Group Almex representative

Management Board of Halyk Bank, 01.07.2016

Umut Shayakhmetova

Chairperson of the Management Board

Marat Almenov

Deputy Chairman: Retail Banking

Aliya Karpykova

Deputy Chairperson: Finance and Accounting

Murat Koshenov

Deputy Chairperson: Corporate Banking

Aslan Talpakov

Deputy Chairman: SME Banking

Askar Smagulov

Deputy Chairman: Operating Activity and information Technologies

Aivar Bodanov

Deputy Chairman: Security and Bad Loan Recovery

Yertay Salimov

Deputy Chairman, Operations and Treasury

Kuat Kussainbekov

Deputy Chairman, Information Technologies

Financial Overview of Halyk Bank



Balance Sheet (KZT mln)

	01/07/2015	01/10/2015	01/01/2016	01/04/2016	01/07/2016
ASSETS	2,955,475	3,792,718	4,454,938	4,387,262	4,898,259
Cash and cash equivalents	620,350	1,020,355	1,404,680	1,385,336	1,520,372
Obligatory reserves	41,290	56,425	68,389	64,826	76,854
Financial assets at fair value through profit or loss	11,129	123,677	177,070	176,503	484,900
Amounts due from credit institutions	46,264	44,035	44,993	37,951	41,443
Available-for-sale investment securities	307,520	379,026	378,520	340,857	357,168
Investments held to maturity	-	-	-	43,031	42,165
Precious metals	1,453	2,050	2,436	2,850	2,969
Loans to customers	1,758,560	1,967,181	2,176,069	2,117,483	2,160,638
Property and equipment	90,893	80,302	82,462	86,942	92,832
Assets held for sale	8,779	11,442	11,405	11,484	11,603
Goodwill	4,954	4,954	4,954	4,954	4,954
Intangible assets	7,958	8,628	8,659	8,578	8,387
Insurance assets	29,371	27,090	23,857	29,704	31,044
Other assets	26,954	67,553	71,444	76,763	62,930

Balance Sheet (USD mln)

	01/07/2015	01/10/2015	01/01/2016	01/04/2016	01/07/2016
ASSETS	15,873	14,001	13,102	12,768	14,464
Cash and cash equivalents	3,332	3,767	4,131	4,032	4,489
Obligatory reserves	222	208	201	189	227
Financial assets at fair value through profit or loss	60	457	521	514	1,432
Amounts due from credit institutions	248	163	132	110	122
Available-for-sale investment securities	1,652	1,399	1,113	992	1,055
Investments held to maturity	-	-	-	125	125
Precious metals	8	8	7	8	9
Loans to customers	9,444	7,262	6,400	6,162	6,380
Property and equipment	488	296	243	253	274
Assets held for sale	47	42	34	33	34
Goodwill	27	18	15	14	15
Intangible assets	43	32	25	25	25
Insurance assets	158	100	70	86	92
Other assets	145	249	210	223	186

Financial Overview of Halyk Bank



Balance Sheet (KZT mln)

	01/07/2015	01/10/2015	01/01/2016	01/04/2016	01/07/2016
LIABILITIES AND EQUITY	2,955,475	3,792,718	4,454,938	4,387,262	4,898,259
Amounts due to customers	1,839,855	2,489,658	3,043,731	2,971,221	3,437,485
Amounts due to credit institutions	119,063	156,067	168,258	144,835	149,981
Financial liabilities at fair value through profit or loss	73	7,944	5,593	3,296	450
Debt securities issued	439,822	528,022	597,525	600,984	593,894
Provisions	387	767	982	1,132	956
Deferred tax liability	10,601	30,214	37,362	36,071	35,651
Insurance liabilities	53,496	53,450	50,983	60,953	62,767
Other liabilities	16,887	20,448	20,576	26,865	29,159
Total liabilities	2,480,184	3,286,570	3,925,010	3,845,357	4,310,343
Share capital	143,695	143,695	143,695	143,695	143,695
Share premium reserve	2,075	2,055	2,039	2,054	1,946
Treasury shares	(101,975)	(103,174)	(103,175)	(103,196)	(103,142)
Retained earnings and other reserves	431,496	463,572	487,369	499,352	545,417
Non-controlling interest	-	-	-	-	-
Total equity	475,291	506,148	529,928	541,905	587,916

Balance Sheet (USD mln)

	01/07/2015	01/10/2015	01/01/2016	01/04/2016	01/07/2016
LIABILITIES AND EQUITY	15,873	14,001	13,101	12,768	14,464
Amounts due to customers	9,881	9,191	8,952	8,647	10,150
Amounts due to credit institutions	639	576	495	421	443
Financial liabilities at fair value through profit or loss	0	29	16	10	1
Debt securities issued	2,362	1,949	1,757	1,749	1,754
Provisions	2	3	3	3	3
Deferred tax liability	57	112	110	105	105
Insurance liabilities	287	197	150	177	185
Other liabilities	91	75	59	78	86
Total liabilities	13,320	12,132	11,543	11,191	12,728
Share capital	772	530	423	418	424
Share premium reserve	11	8	6	6	6
Treasury shares	(548)	(381)	(303)	(300)	(305)
Retained earnings and other reserves	2,317	1,711	1,433	1,453	1,611
Non-controlling interest	-	-	-	-	-
Total equity	2,553	1,868	1,559	1,577	1,736

Financial Overview of Halyk Bank



Income Statement (KZT mln)

	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016
Interest income	60,621	63,302	73,268	73,261	88,401
Interest expense	(21,807)	(24,455)	(37,300)	(41,961)	(41,722)
Net interest income before impairment charge	38,814	38,847	35,968	31,300	46,679
Impairment charge	(3,287)	(6,916)	(3,576)	(4,504)	(6,194)
Net interest income	35,527	31,931	32,392	26,796	40,485
Fees and commissions income	13,446	13,356	14,436	13,456	14,885
Fees and commissions expense	(2,594)	(2,931)	(3,141)	(3,203)	(3,281)
Net gain from financial assets and liabilities at fair value through profit or loss	(831)	107,186	84,871	2,994	(7,573)
Net realized gain from available-for-sale investment securities	(97)	375	674	227	798
Net gain on foreign exchange operations	4,012	(91,242)	(73,556)	(443)	8,316
Insurance underwriting income	5,957	6,780	7,629	4,885	7,450
Other income	1,052	3,691	3,376	930	1,831
OTHER NON-INTEREST INCOME	10,093	26,790	22,994	8,593	10,822
Operating expenses	(15,577)	(17,179)	(22,041)	(17,558)	(16,623)
Recoveries of provisions/(provisions)	51	(236)	(125)	(110)	150
Insurance claims incurred, net of reinsurance	(5,833)	(6,205)	(6,252)	(4,809)	(6,386)
NON-INTEREST EXPENSES	(21,359)	(23,620)	(28,418)	(22,477)	(22,859)
INCOME BEFORE INCOME TAX EXPENSE	35,113	45,526	38,263	23,165	40,052
Income tax expense	(6,808)	(8,828)	(9,926)	(4,874)	(5,839)
NET INCOME	28,305	36,698	28,337	18,291	34,213

Income Statement (USD mln)

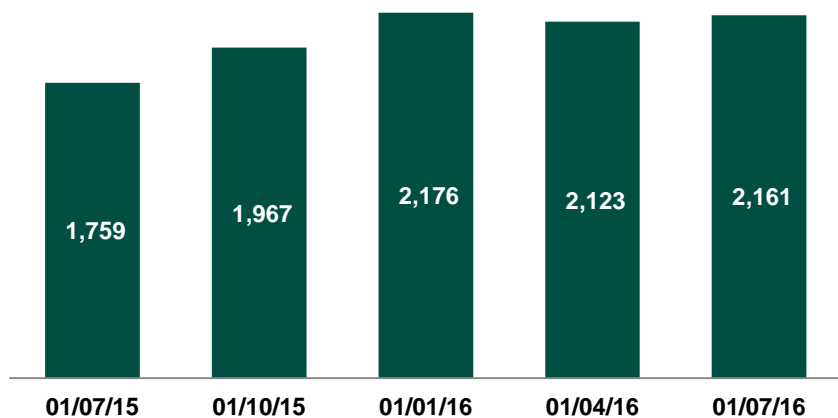
	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016
Interest income	326	292	244	206	263.43
Interest expense	(117)	(113)	(124)	(118)	(124)
Net interest income before impairment charge	209	179	120	88.14	139
Impairment charge	(18)	(32)	(12)	(13)	(18)
Net interest income	191	147	108	75	121
Fees and commissions income	72	62	48	38	44
Fees and commissions expense	(14)	(14)	(10)	(9)	(10)
Net gain from financial assets and liabilities at fair value through profit or loss	(4)	494	282	8	(23)
Net realized gain from available-for-sale investment securities	(1)	2	2	1	2
Net gain on foreign exchange operations	22	(421)	(245)	(1)	25
Insurance underwriting income	32	31	25	14	22
Other income	6	17	11	3	5
OTHER NON-INTEREST INCOME	54	124	77	24	32
Operating expenses	(84)	(79)	(73)	(49)	(50)
Recoveries of provisions/(provisions)	0.3	(1.1)	(0.4)	(0.3)	0.4
Insurance claims incurred, net of reinsurance	(31)	(29)	(21)	(14)	(19)
NON-INTEREST EXPENSES	(115)	(109)	(95)	(63)	(68)
INCOME BEFORE INCOME TAX EXPENSE	189	210	127	65	119
Income tax expense	(37)	(41)	(33)	(14)	(17)
NET INCOME	152	169	94	52	102

Financial Overview of Halyk Bank



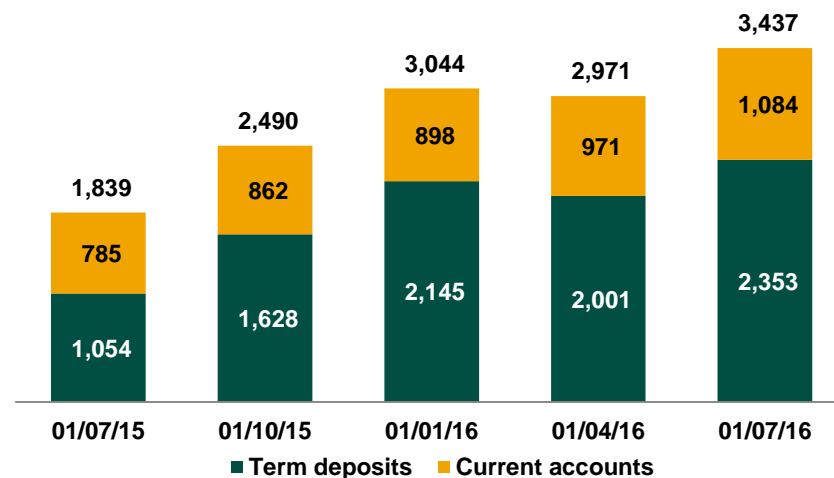
Net Loans

KZT bn



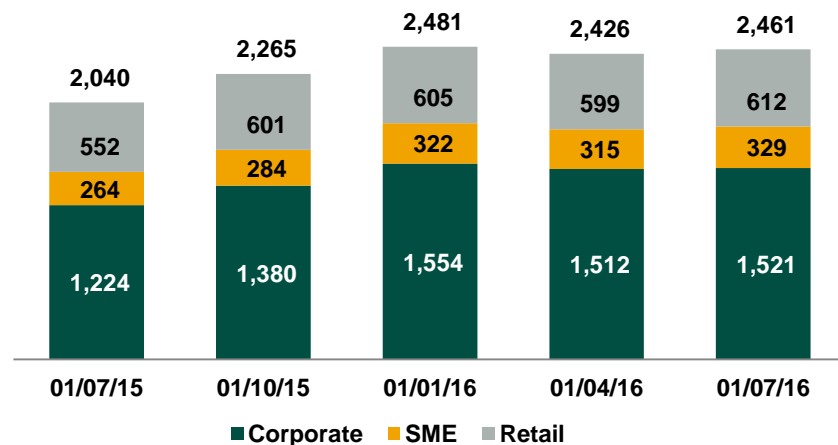
Deposits by Type

KZT bn



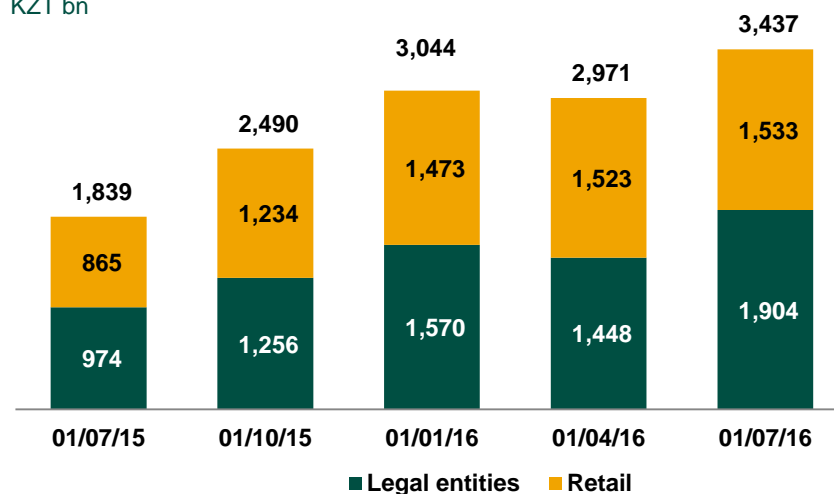
Breakdown of Gross Loans

KZT bn



Deposits by Type of Depositors

KZT bn



Financial Overview of Halyk Bank

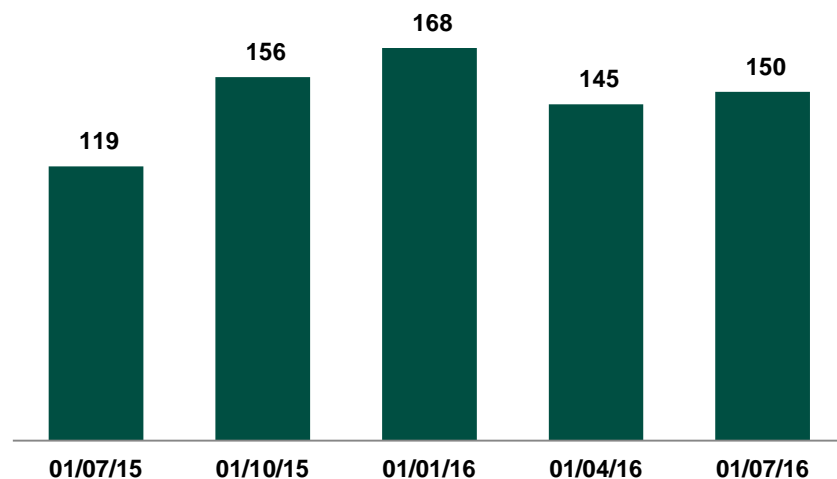


Bonds Outstanding

ISIN (NIN)	Currency	Issue Date	Maturity Date	Tenor, years	Initial Amount	Outstanding Amount, 01.07.2016	Coupon, 01.07.2016
KZ2C00000396 (KZP02Y10C592)	KZT	06.11.2008	06.11.2018	10	5,000,000,000	5,000,000,000	13.00%
KZP07Y10C591 (KZ2C00002855)	KZT	18.11.2014	18.11.2024	10	100,000,000,000	100,000,000,000	7.50%
KZP01Y10E855 (KZ2C00003077)	KZT	12.02.2015	12.02.2025	10	131,651,750,000	131,651,750,000	7.50%
XS0298931287 / US40430AAB98	USD	03.05.2007	03.05.2017	10	700,000,000	638,029,000	7.25%
XS0583796973 / US46627JAB08	USD	28.01.2011	28.01.2021	10	500,000,000	500,000,000	7.25%

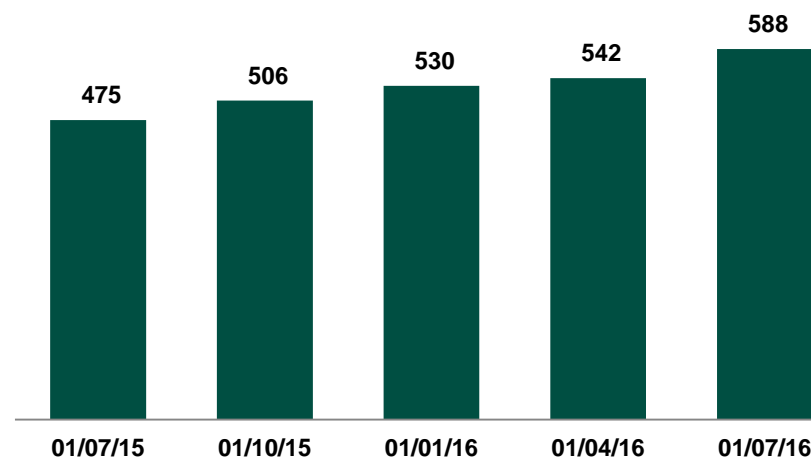
Amounts Due to Credit Institutions

KZT bn



Equity

KZT bn

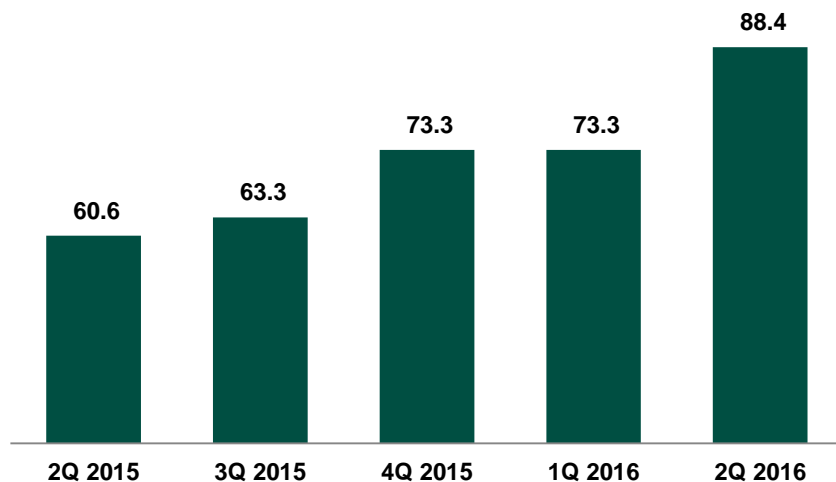


Financial Overview of Halyk Bank



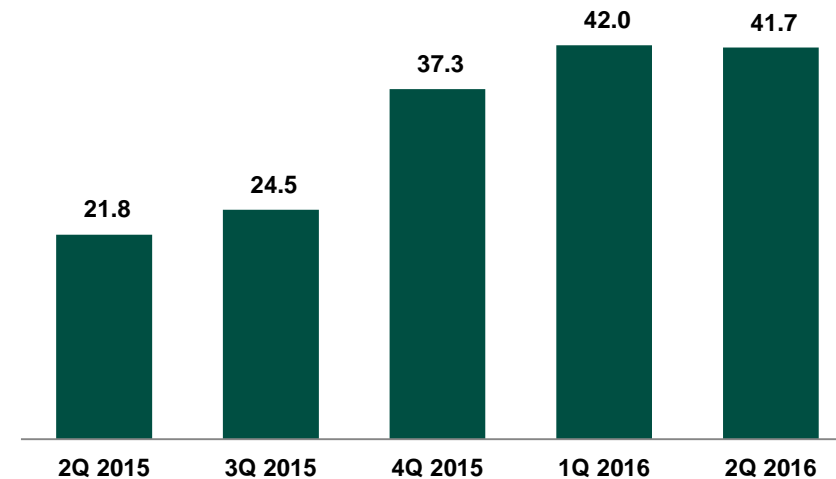
Interest Income

KZT bn



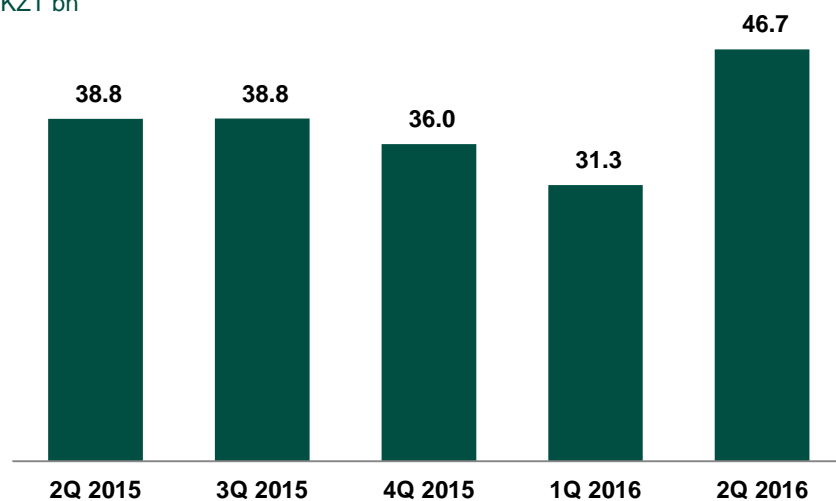
Interest Expense

KZT bn



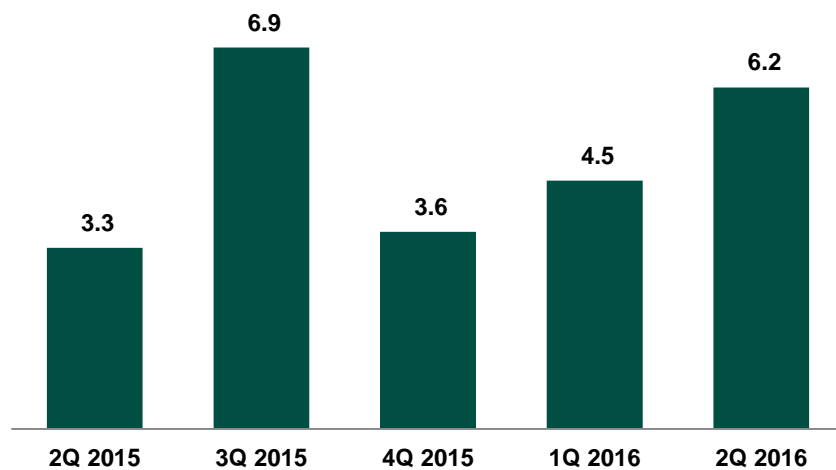
Net Interest Income before Impairment Charge

KZT bn



Impairment Charge

KZT bn

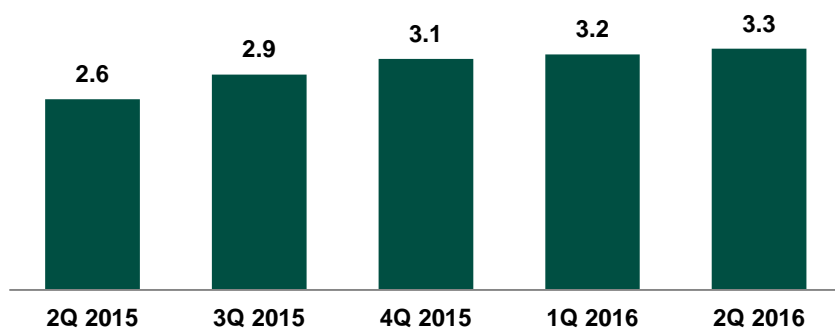


Financial Overview of Halyk Bank



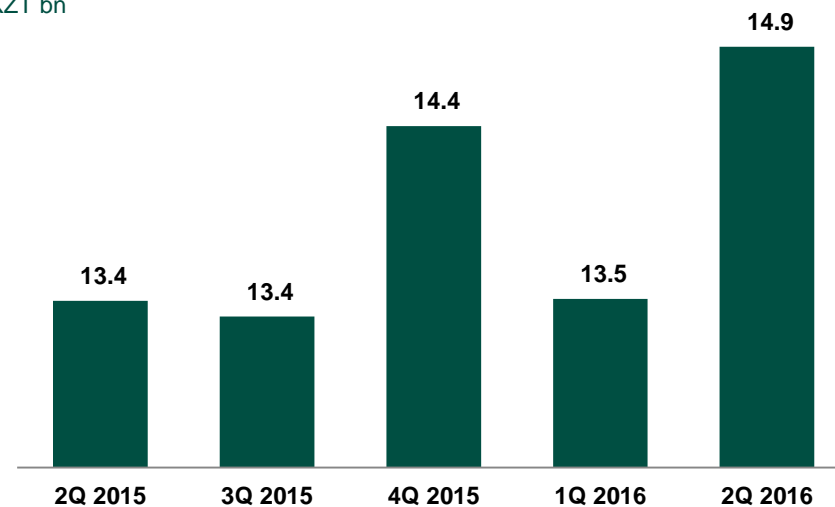
Fee and Commission Expense

KZT bn



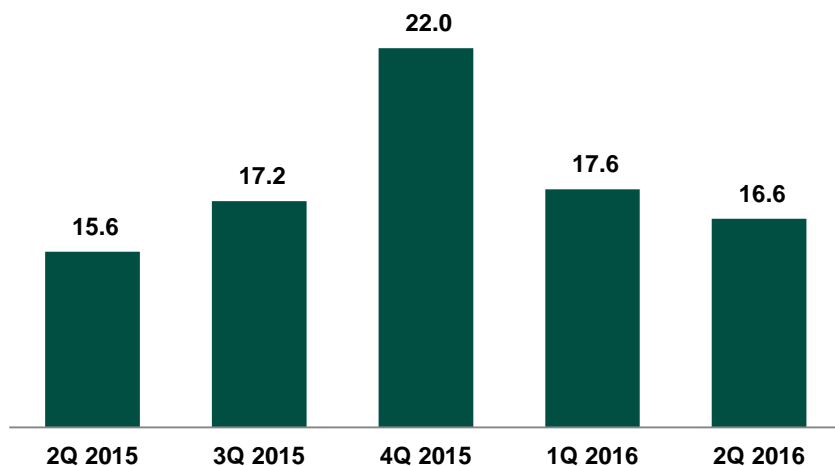
Fee and Commission Income from Transactional Banking

KZT bn

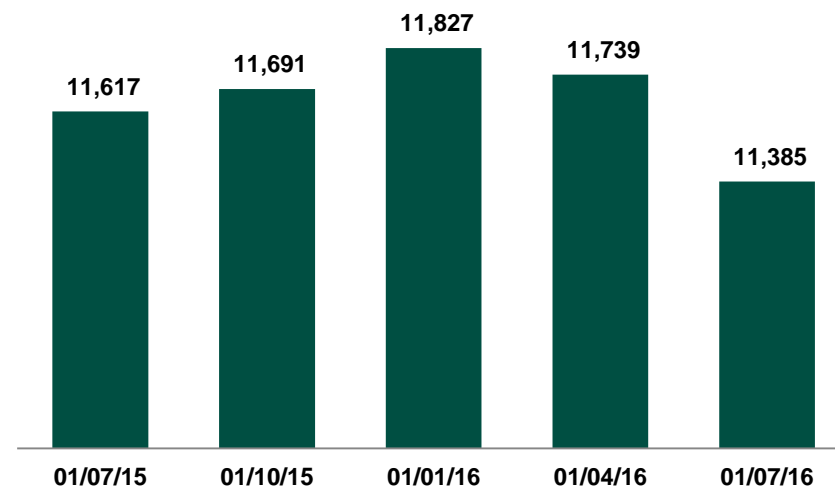


Operating Expenses

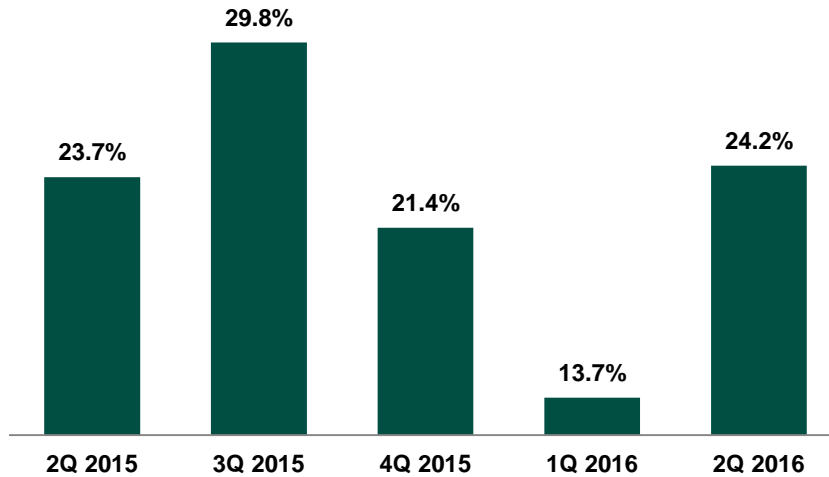
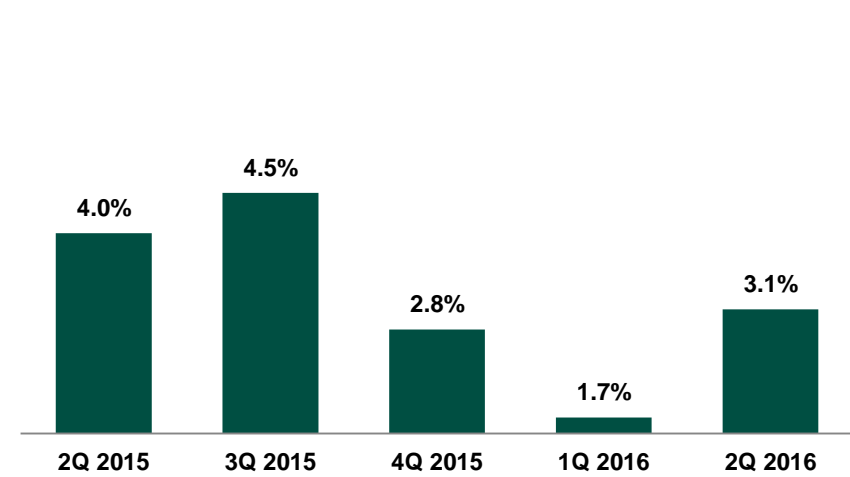
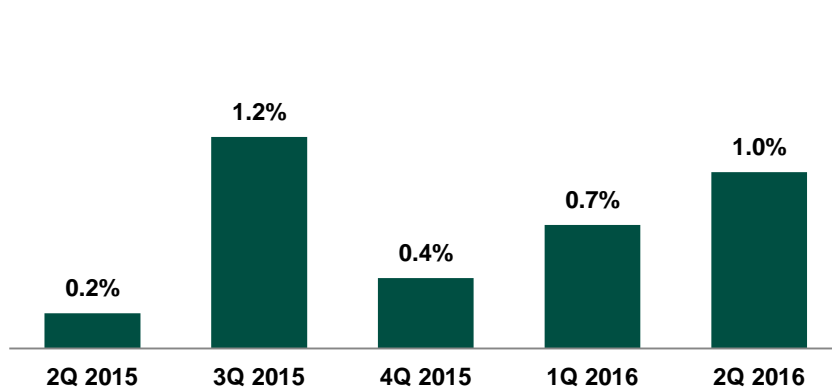
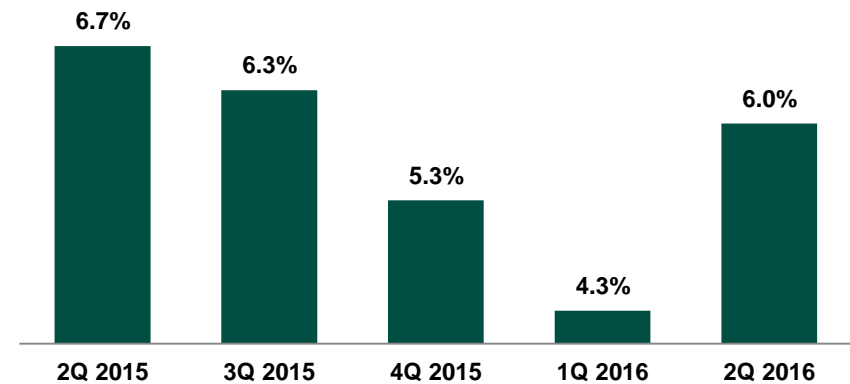
KZT bn



FTE (Full Time Employees)



Financial Overview of Halyk Bank

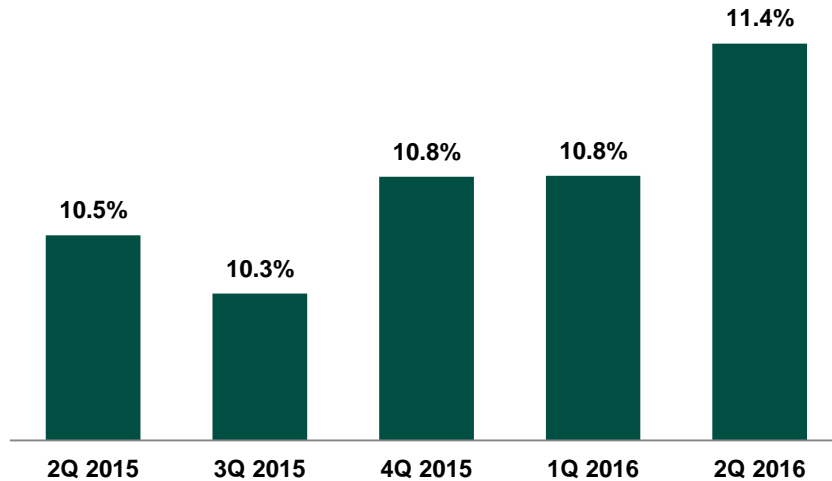
RoAE ⁽¹⁾RoAA ⁽¹⁾Cost of Risk ⁽¹⁾NIM ⁽¹⁾⁽¹⁾ annualised

Source: Halyk Bank's Consolidated Financial Statements

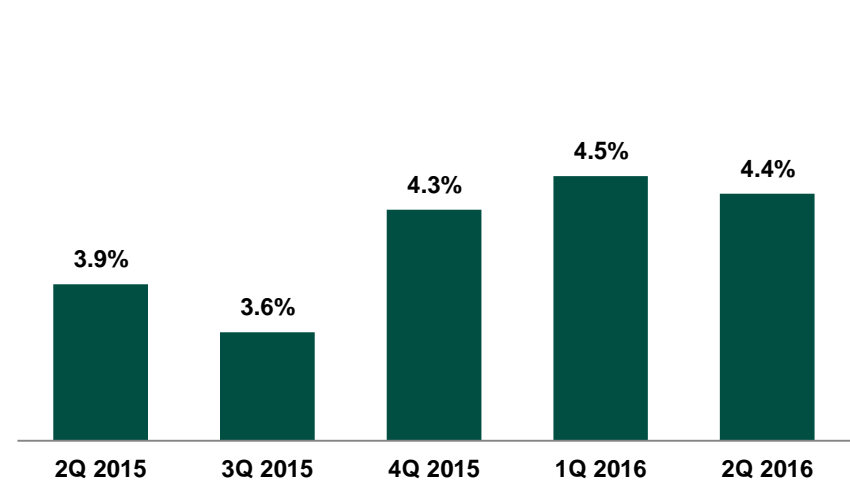
Financial Overview of Halyk Bank



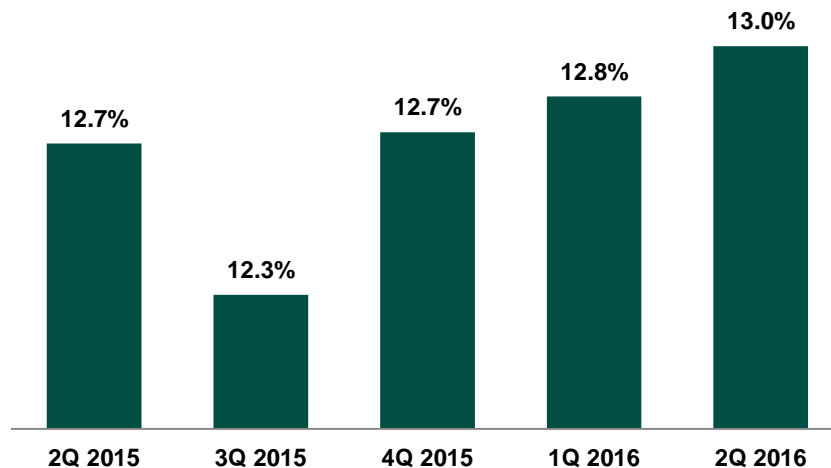
Average Interest Rates on Interest-Earning Assets ⁽¹⁾



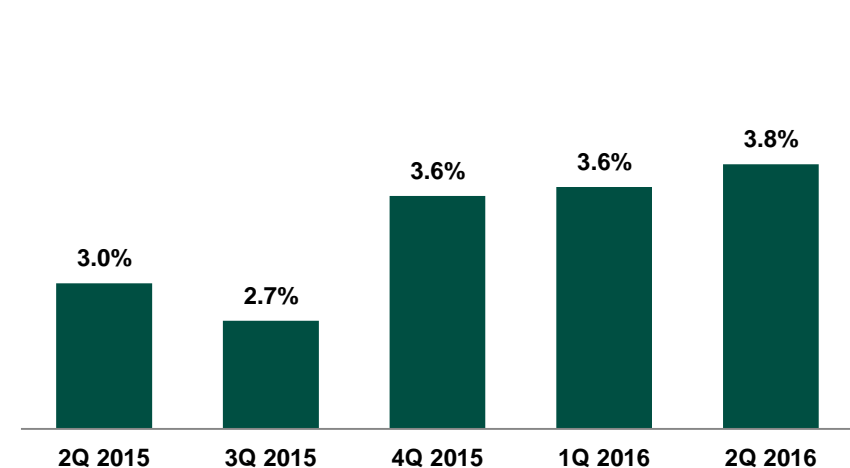
Average Interest Rates on Interest-Bearing Liabilities ⁽¹⁾



Average Interest Rates on Loans ⁽¹⁾



Average Interest Rates on Deposits ⁽¹⁾



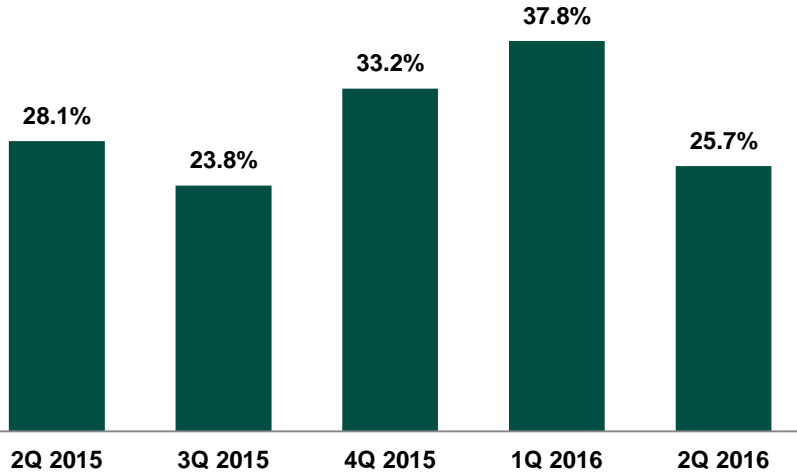
⁽¹⁾ annualised

Source: Halyk Bank's Consolidated Financial Statements

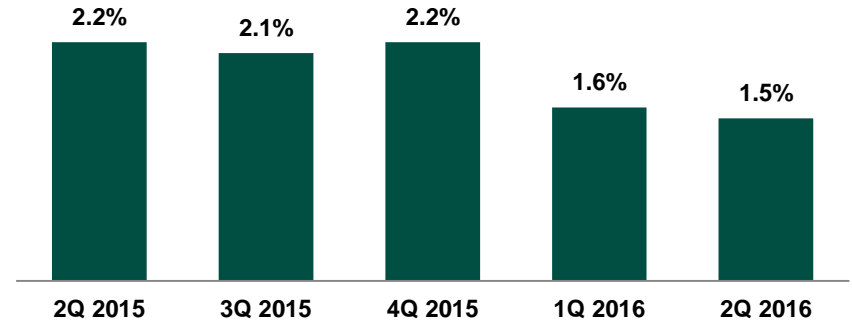
Financial Overview of Halyk Bank



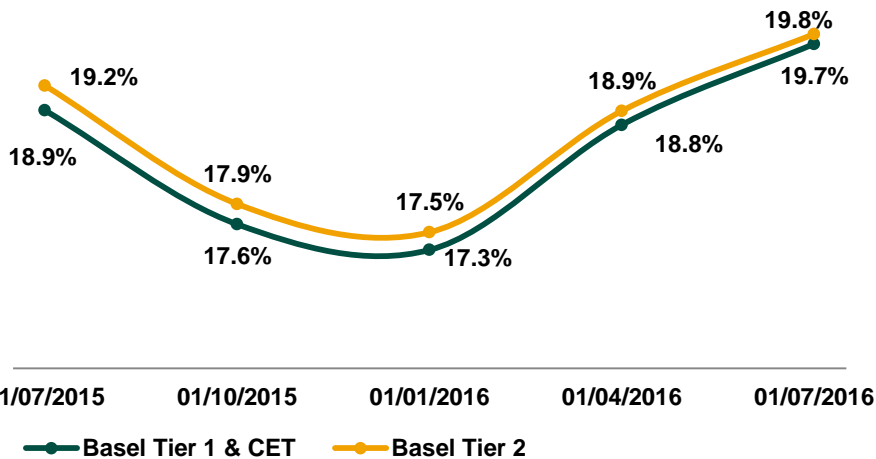
Cost-to-Income



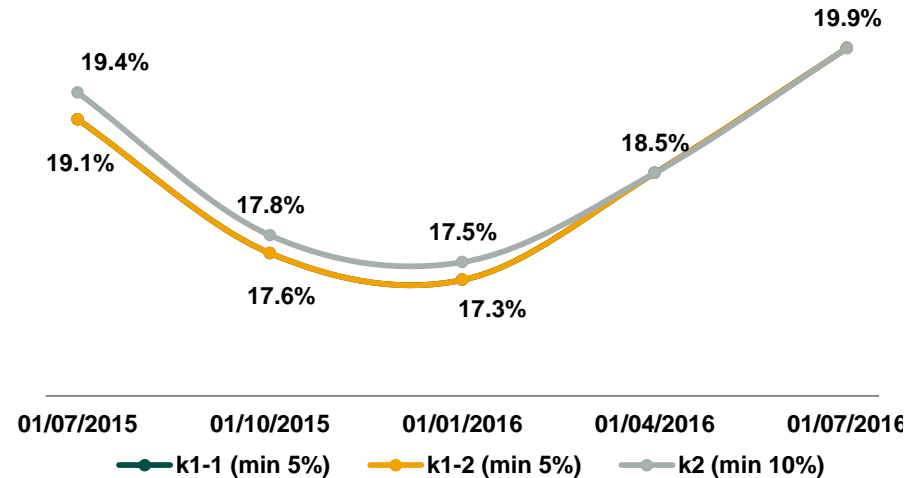
Cost-to-Average Assets ⁽¹⁾



Basel Capital Adequacy Ratios



NBK Capital Adequacy Ratios



⁽¹⁾ annualised

Source: Halyk Bank's Consolidated Financial Statements, National Bank of Kazakhstan