



ANALYST HANDOUT

01.01.2017 – 01.04.2017
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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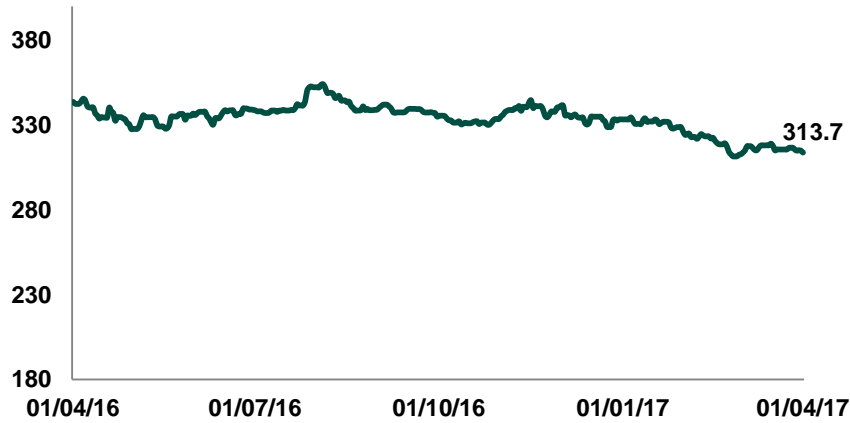


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Macroeconomic Data of Kazakhstan

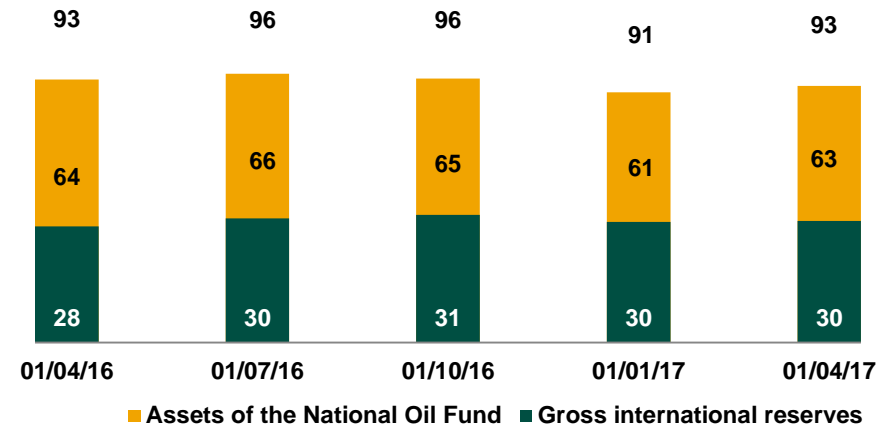


USD/KZT Exchange Rate

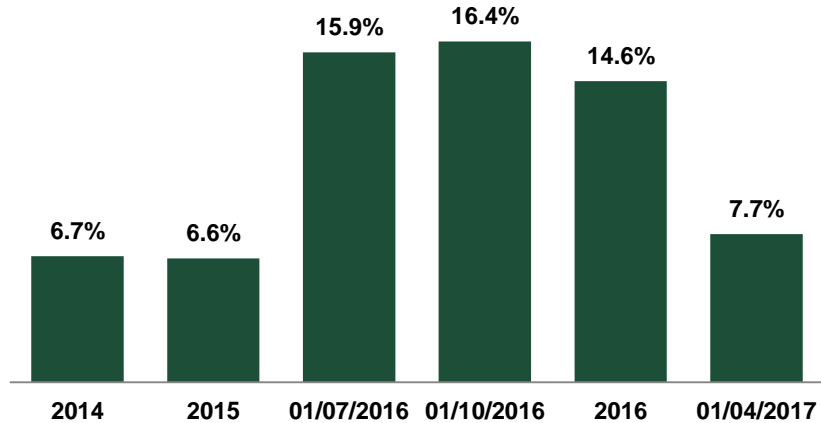


International Reserves

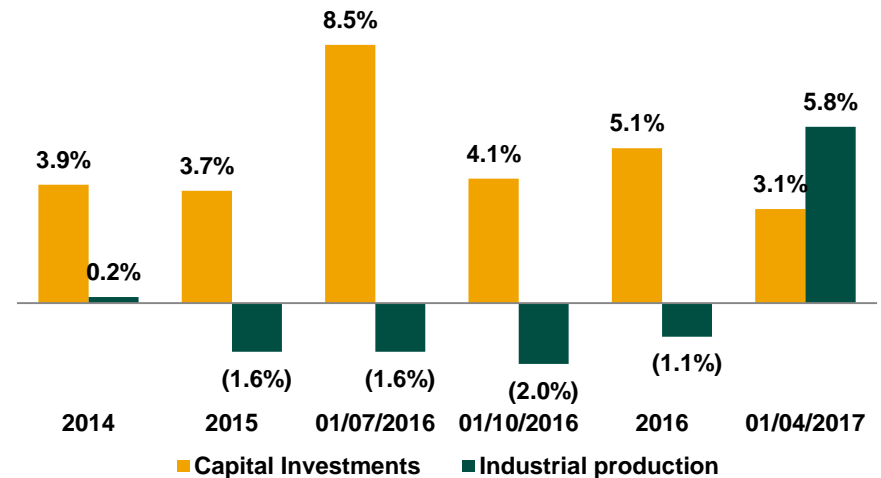
USD bn



Inflation *



Selected Macroeconomic Indices



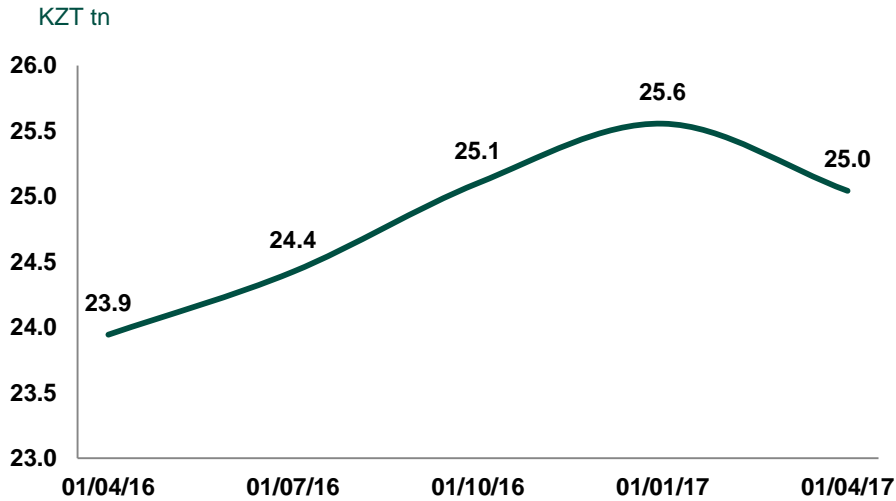
* year-to-year

Source: National Bank of Kazakhstan

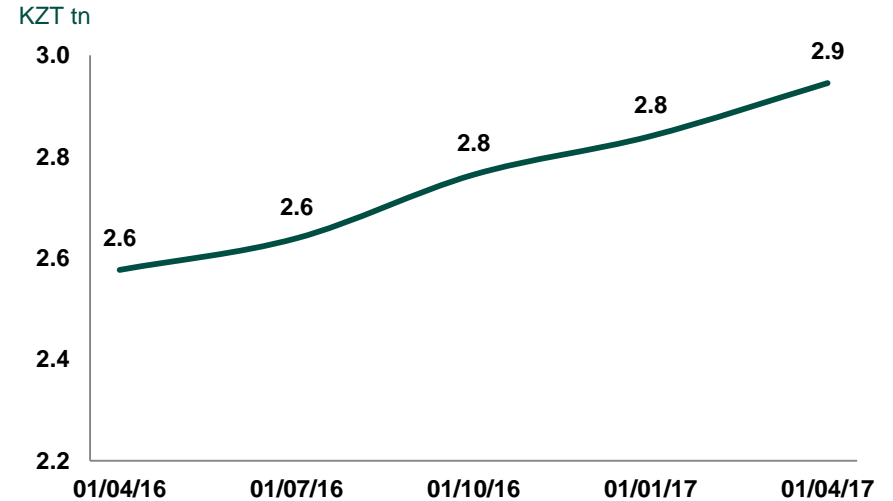
Banking Sector of Kazakhstan



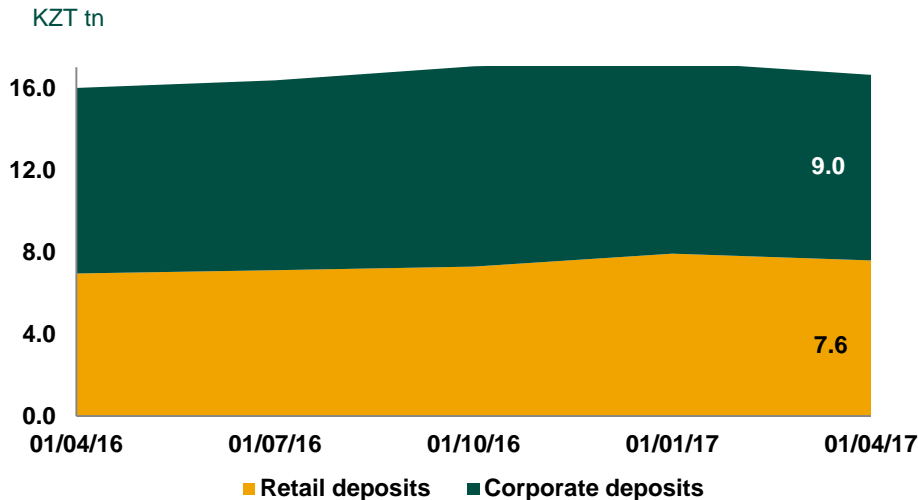
Total Assets



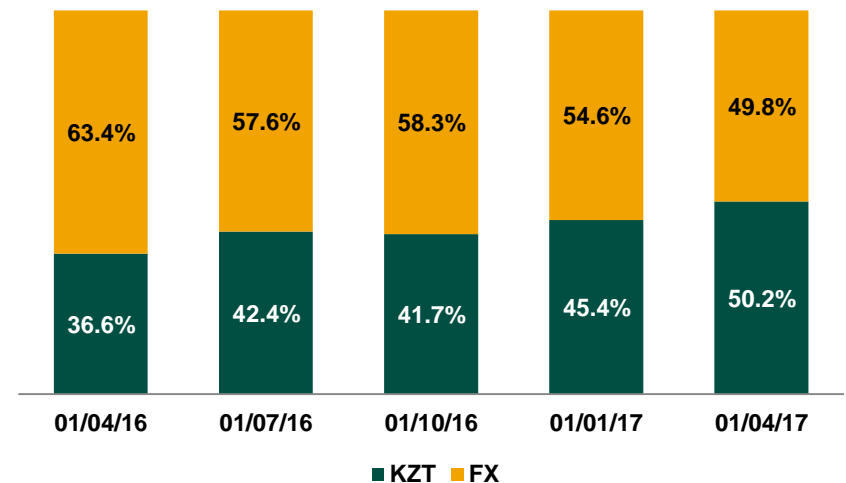
Equity



Total Deposits



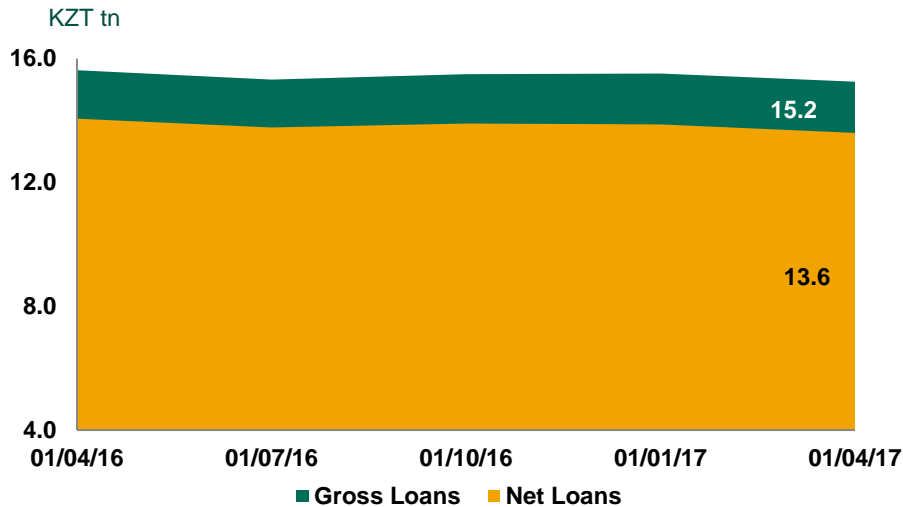
Deposits by Currency



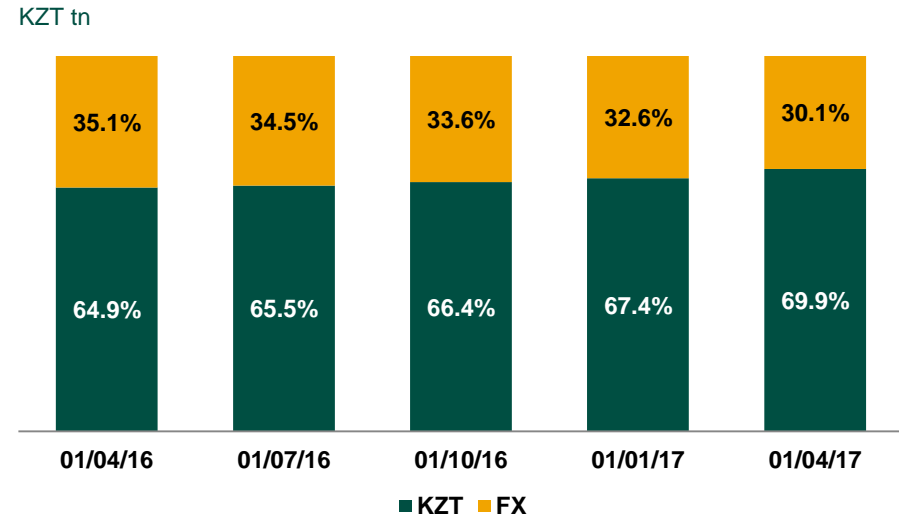
Banking Sector of Kazakhstan



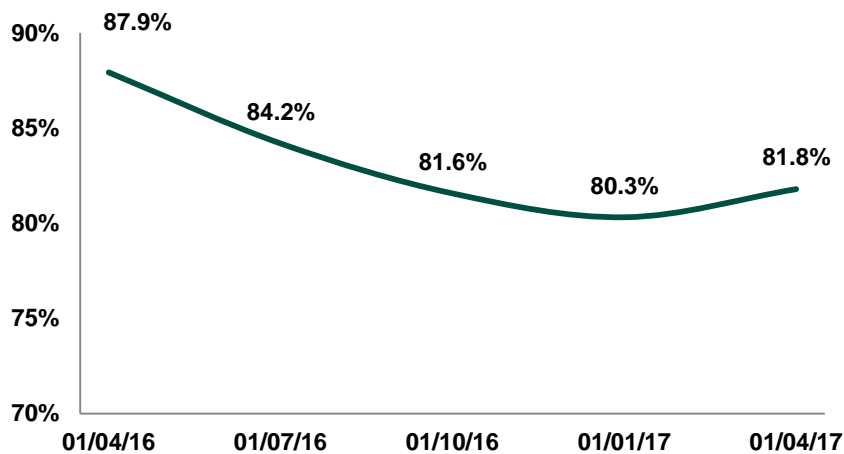
Loan Portfolio



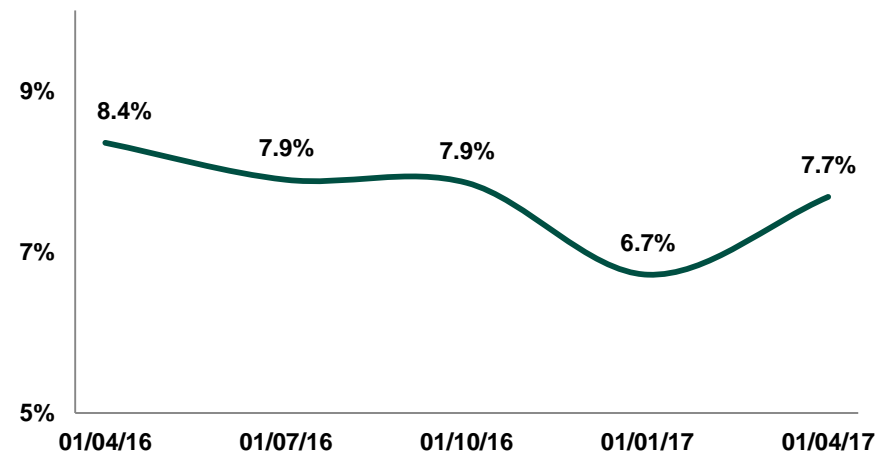
Loans by Currency



Loan to Deposit Ratio



NPLs 90+



Ratings, 01.04.2017



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	Negative

Industry Ranking – Top 5 Kazakhstan Banks

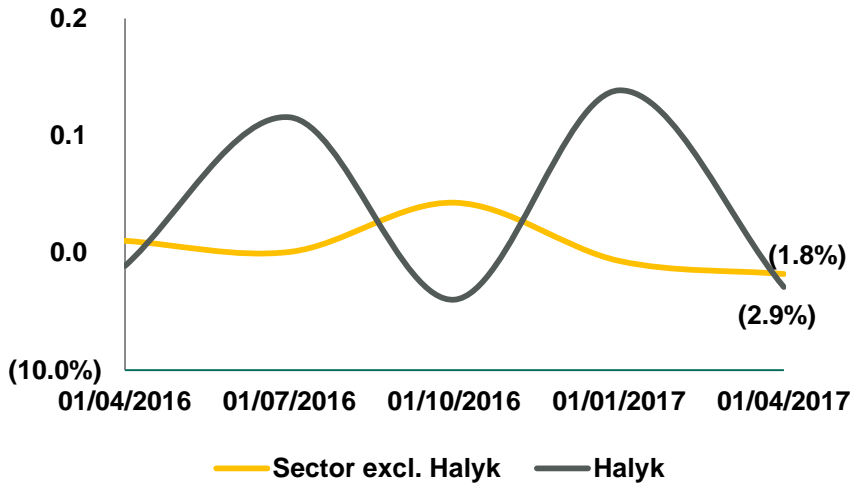


Total assets, 01.04.2017	Amount, KZT bn	Market share	Total Deposits, 01.04.2017	Amount, KZT bn	Market share	Total Liabilities, 01.04.2017	Amount, KZT bn	Market share
1 JSC Halyk Bank	4,748	19.0%	JSC Halyk Bank	3,293	19.8%	JSC KKB	4,245	19.2%
2 JSC KKB	4,727	18.9%	JSC KKB	2,657	16.0%	JSC Halyk Bank	4,092	18.5%
3 JSC TsesnaBank	2,072	8.3%	JSC TsesnaBank	1,575	9.5%	JSC TsesnaBank	1,903	8.6%
4 JSC SberBank	1,613	6.4%	JSC SberBank	1,110	6.7%	JSC SberBank	1,460	6.6%
5 JSC ATF Bank	1,374	5.5%	JSC ATF Bank	983	5.9%	JSC ATF Bank	1,291	5.8%
Gross Loans, 01.04.2017	Amount, KZT bn	Market share	Total Corporate Deposits, 01.04.2017	Amount, KZT bn	Market share	Equity, 01.04.2017	Amount, KZT bn	Market share
1 JSC KKB	3,530	23.1%	JSC Halyk Bank	1,678	18.6%	JSC Halyk Bank	656	22.3%
2 JSC Halyk Bank	2,271	14.9%	JSC KKB	1,413	15.6%	JSC KKB	483	16.4%
3 JSC TsesnaBank	1,595	10.5%	JSC TsesnaBank	928	10.3%	JSC Fortebank	179	6.1%
4 JSC SberBank	973	6.4%	JSC ATF Bank	624	6.9%	JSC TsesnaBank	169	5.7%
5 JSC BCC	902	5.9%	JSC Fortebank	527	5.8%	JSC SberBank	153	5.2%
Net Loans, 01.04.2017	Amount, KZT bn	Market share	Total Retail Deposits, 01.04.2017	Amount, KZT bn	Market share	Net Income, 1Q 2017	Amount, KZT bn	Market share
1 JSC KKB	3,005	22.1%	JSC Halyk Bank	1,615	21.3%	JSC Halyk Bank	35	42.4%
2 JSC Halyk Bank	2,002	14.7%	JSC KKB	1,243	16.4%	JSC KKB	7	8.4%
3 JSC TsesnaBank	1,463	10.8%	JSC Kaspi Bank	753	9.9%	JSC Citi Bank Kazakhstan	7	8.0%
4 JSC SberBank	861	6.3%	JSC TsesnaBank	646	8.5%	JSC Kaspi Bank	6	7.9%
5 JSC BCC	807	5.9%	JSC SberBank	621	8.2%	JSC Zhilstroisberbank Kazakhstan	6	7.5%

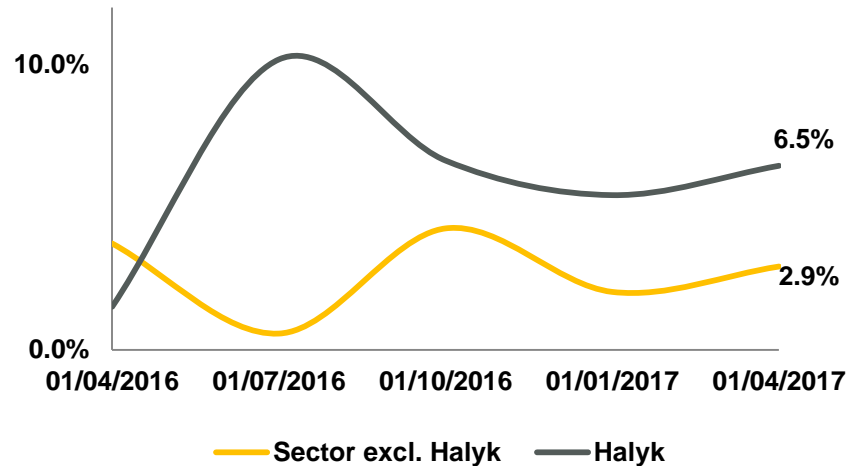
Halyk Bank vs. Sector



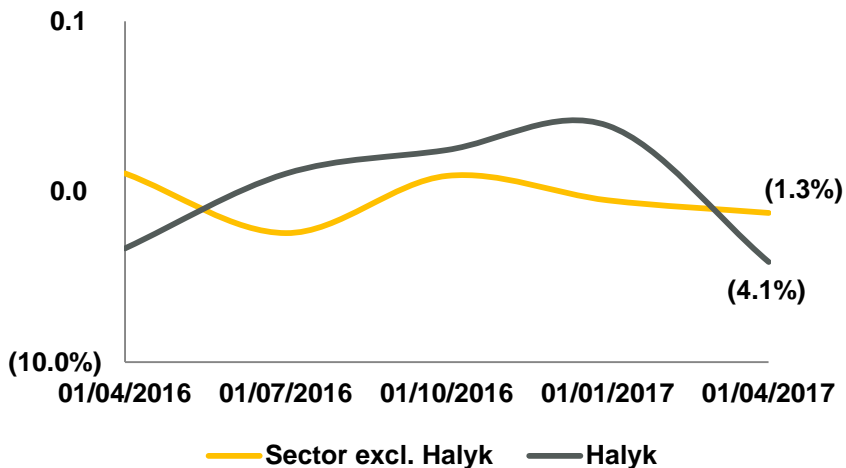
Growth Rate of Total Assets



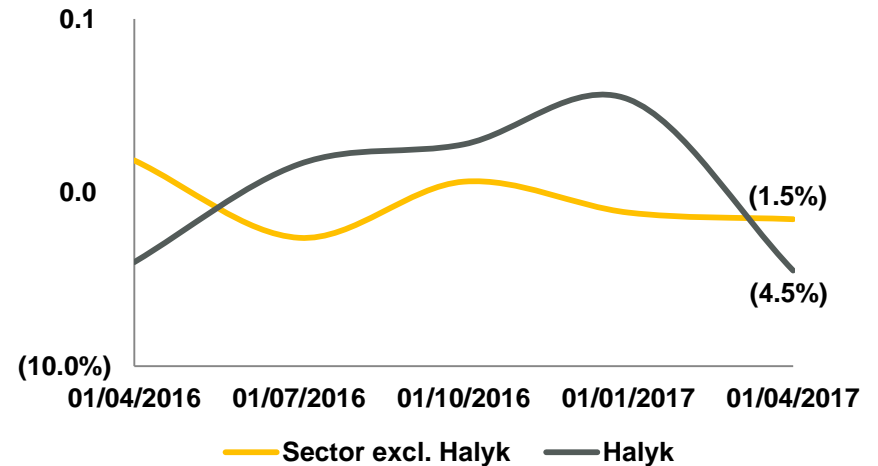
Growth Rate of Equity



Growth Rate of Gross Loans



Growth Rate of Net Loans

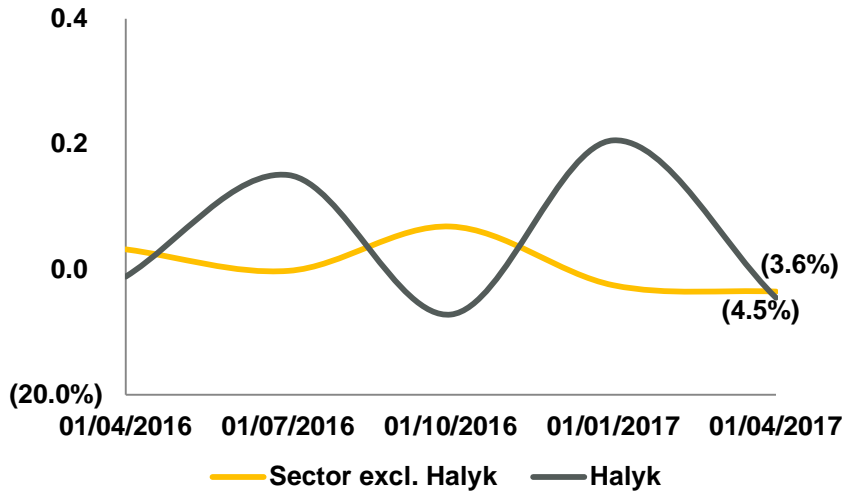


Source: National Bank of Kazakhstan, unconsolidated, KAS

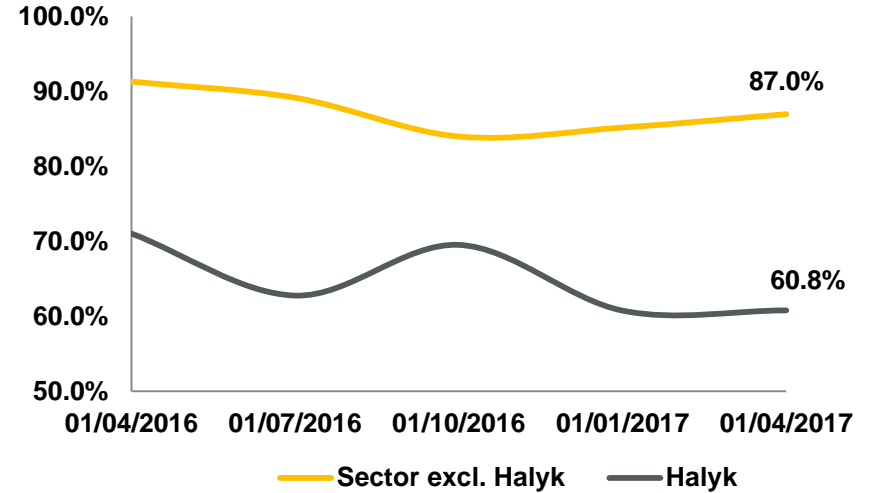


Halyk Bank vs. Sector

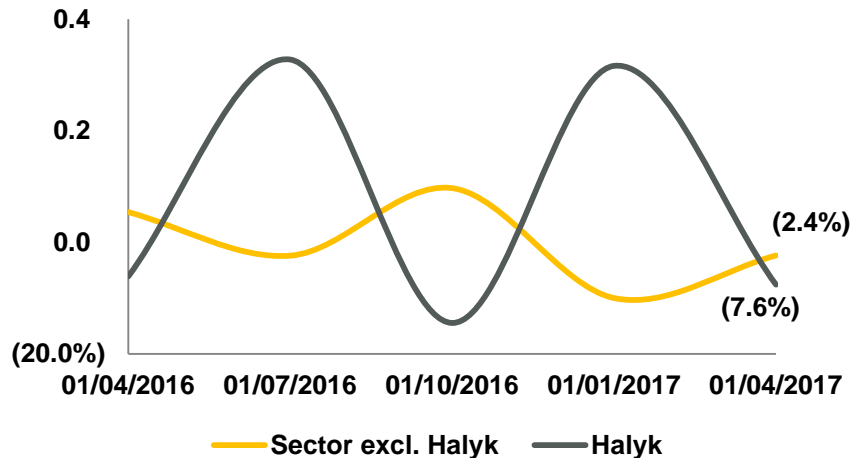
Growth Rate of Total Deposits



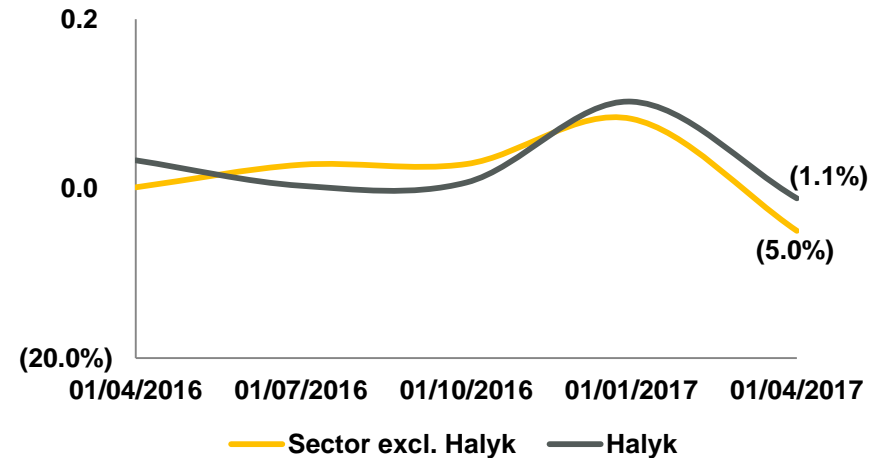
Loan to Deposit Ratio



Growth Rate of Corporate Deposits



Growth Rate of Retail Deposits

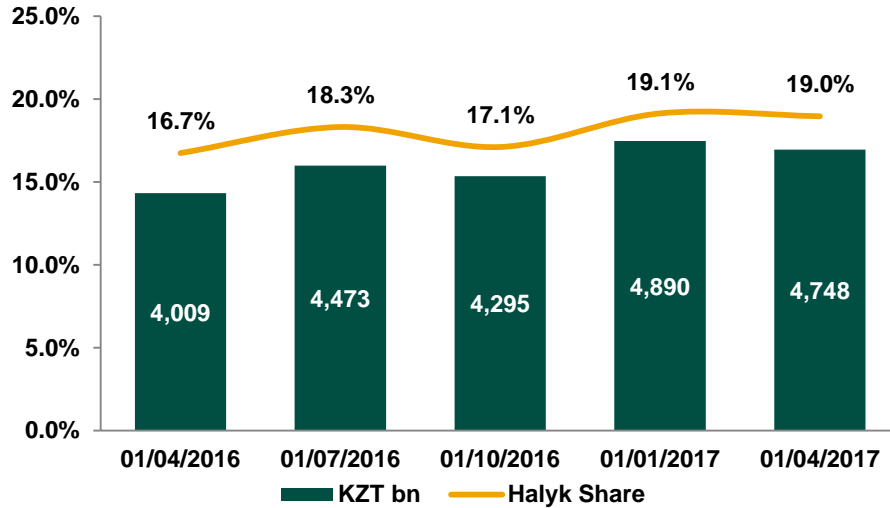


Source: National Bank of Kazakhstan, unconsolidated, KAS

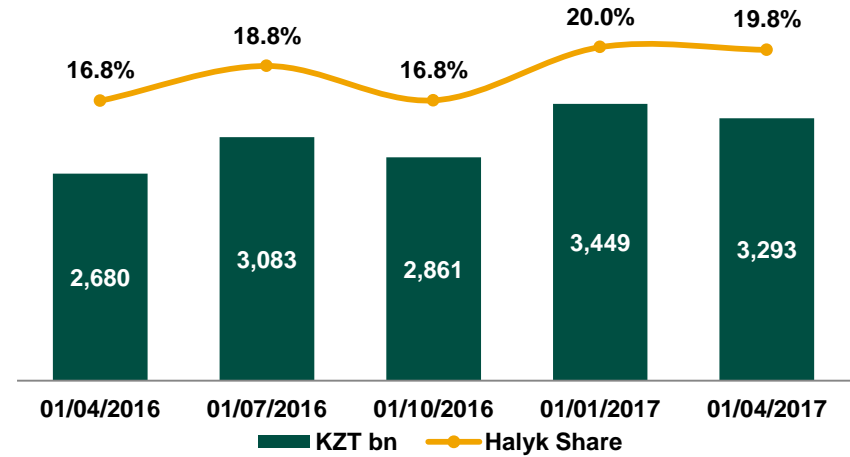
Market Position of Halyk Bank



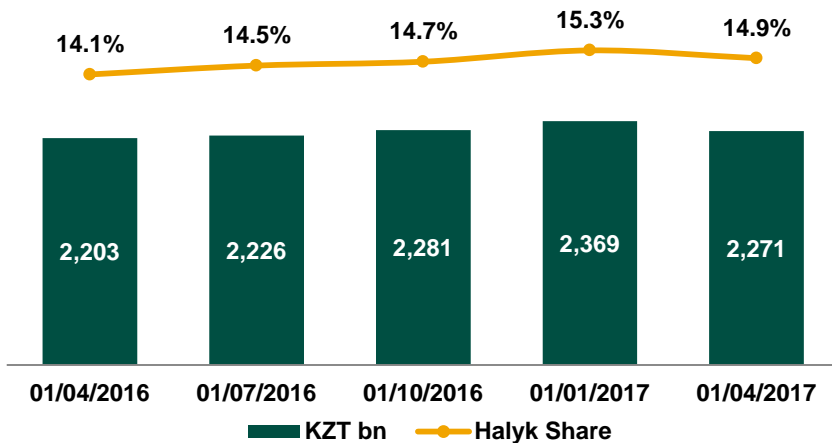
Total Assets



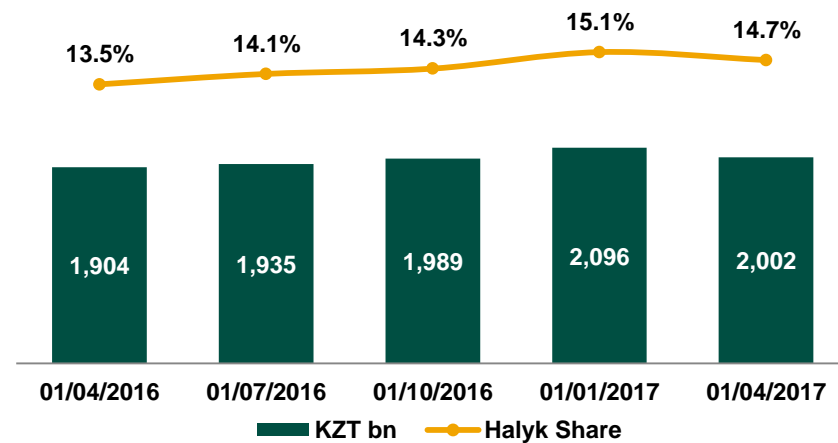
Total Deposits



Gross Loans



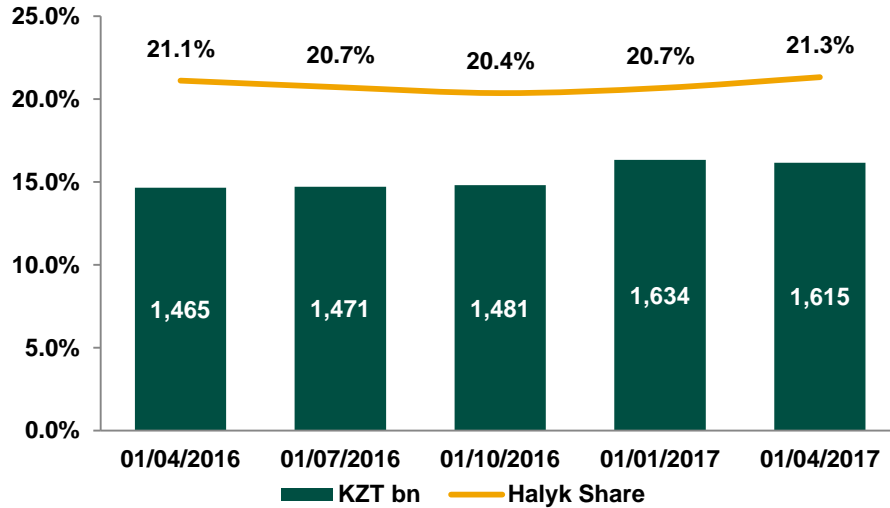
Net Loans



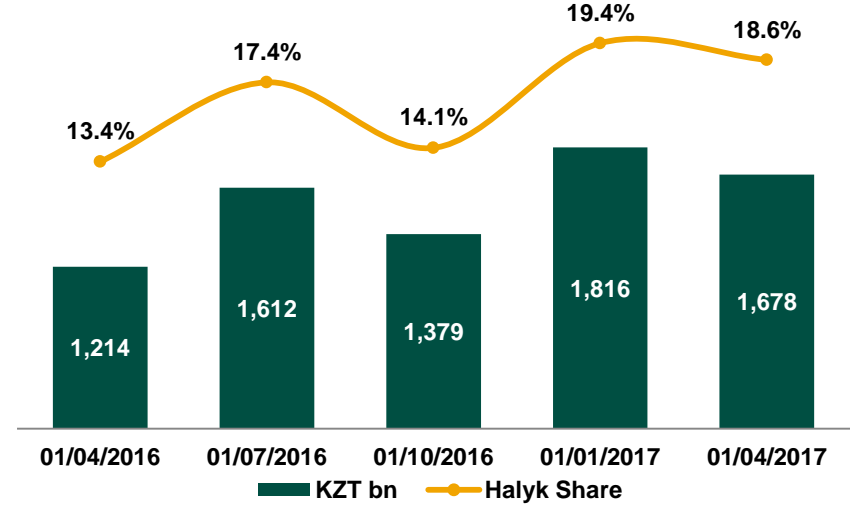
Market Position of Halyk Bank



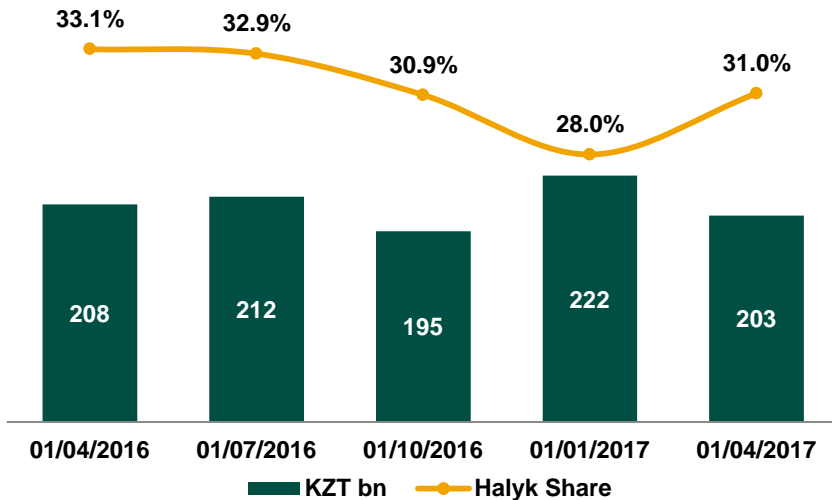
Total Retail Deposits



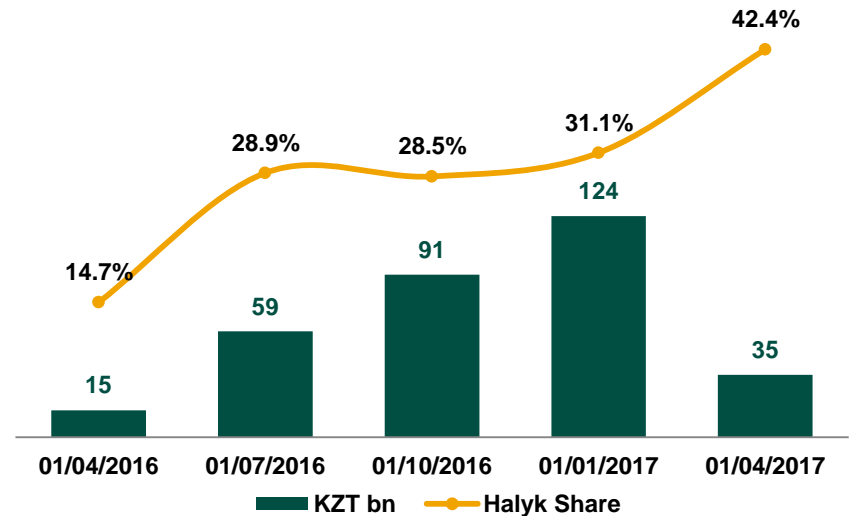
Total Corporate Deposits



Retail Current Accounts



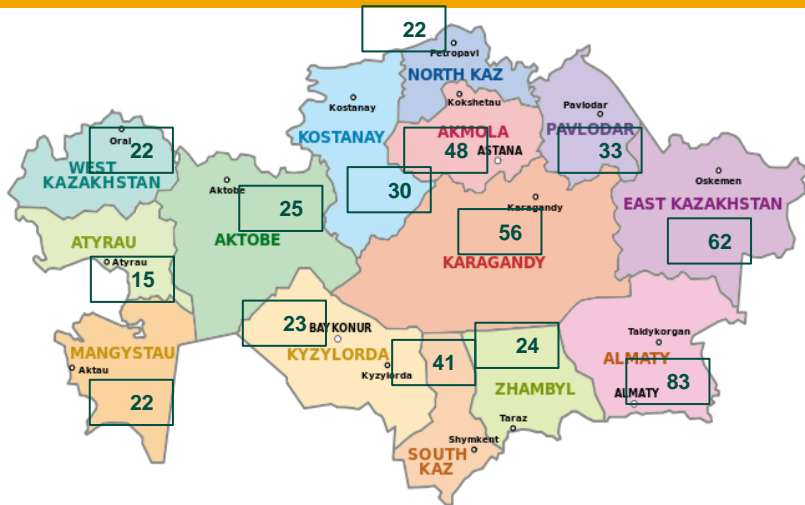
Net Income



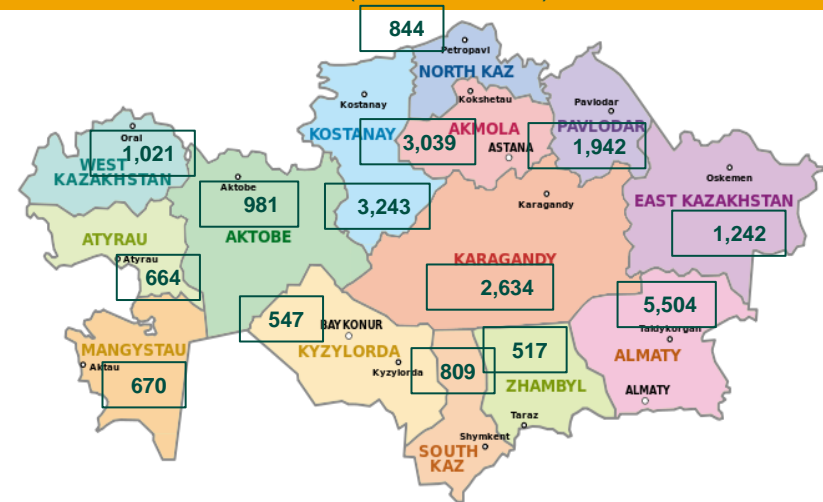


Market Penetration of Halyk Bank

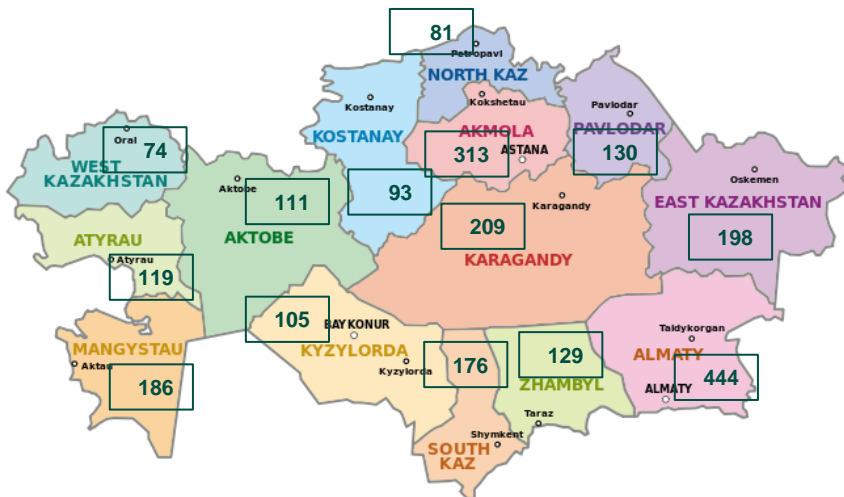
Outlets (total - 506), 01.04.2017



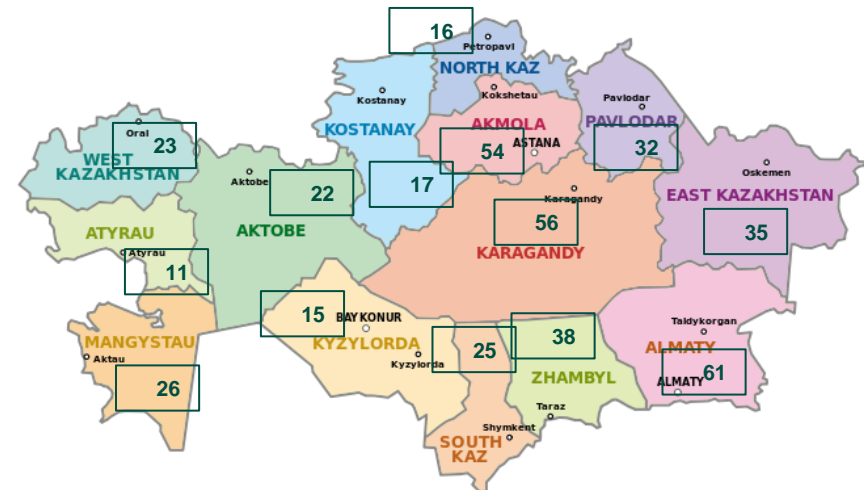
POS-terminals (total – 23,657), 01.04.2017



ATMs (total – 2,368), 01.04.2017



Multikiosks (total - 431), 01.04.2017



Shareholder Structure of Halyk Bank, 01.04.2017



№	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	1,850,077,960	16.8%	1,850,077,960	16.8%	-	-
4	Other	341,721,665	3.1%	341,721,665	3.1%	-	-
5	Total outstanding (on consolidated basis)	10,994,533,143	100.0%	10,994,533,143	100.0%	-	-

Board of Directors and Management Board



Board of Directors of Halyk Bank, 01.04.2017

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, 01.04.2017

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)

	01/04/2016	01/07/2016	01/10/2016	01/01/2017	01/04/2017
ASSETS	4,387,262	4,898,259	4,705,344	5,348,483	5,201,147
Cash and cash equivalents	1,385,336	1,520,372	1,330,740	1,774,519	1,490,194
Obligatory reserves	64,826	76,854	71,642	76,122	72,429
Financial assets at fair value through profit or loss	176,503	484,900	413,208	328,737	96,110
Amounts due from credit institutions	37,951	41,443	32,217	35,542	38,774
Available-for-sale investment securities	340,857	357,168	441,704	599,624	1,069,305
Investments held to maturity	43,031	42,165	0	0	0
Precious metals	2,850	2,969	3,017	1,684	1,713
Loans to customers	2,117,483	2,160,638	2,203,326	2,319,583	2,219,541
Property and equipment	86,942	92,832	95,728	94,897	94,309
Assets held for sale	11,484	11,603	10,210	10,297	11,048
Goodwill	4,954	4,954	4,954	4,954	4,954
Intangible assets	8,578	8,387	9,046	9,179	8,828
Insurance assets	29,704	31,044	30,465	28,354	27,538
Other assets	76,763	62,930	59,087	64,991	66,404

Balance Sheet (USD mln)

	01/04/2016	01/07/2016	01/10/2016	01/01/2017	01/04/2017
ASSETS	12,768	14,464	14,027	16,048	16,578
Cash and cash equivalents	4,032	4,489	3,967	5,324	4,750
Obligatory reserves	189	227	214	228	231
Financial assets at fair value through profit or loss	514	1,432	1,232	986	306
Amounts due from credit institutions	110	122	96	107	124
Available-for-sale investment securities	992	1,055	1,317	1,799	3,408
Investments held to maturity	125	125	0	0	0
Precious metals	8	9	9	5	5
Loans to customers	6,162	6,380	6,568	6,960	7,075
Property and equipment	253	274	285	285	301
Assets held for sale	33	34	30	31	35
Goodwill	14	15	15	15	16
Intangible assets	25	25	27	28	28
Insurance assets	86	92	91	85	88
Other assets	223	186	176	195	212

Financial Overview of Halyk Bank



Balance Sheet (KZT mln)

	01/04/2016	01/07/2016	01/10/2016	01/01/2017	01/04/2017
LIABILITIES AND EQUITY	4,387,262	4,898,259	4,705,344	5,348,483	5,201,147
Amounts due to customers	2,971,221	3,437,485	3,171,519	3,820,662	3,617,073
Amounts due to credit institutions	144,835	149,981	178,777	162,134	186,694
Financial liabilities at fair value through profit or loss	3,296	450	727	2,841	5,935
Debt securities issued	600,984	593,894	591,050	584,933	564,453
Provisions	1,132	956	942	987	723
Deferred tax liability	36,071	35,651	34,715	23,181	19,443
Insurance liabilities	60,953	62,767	64,880	64,374	69,492
Other liabilities	26,865	29,159	30,354	23,778	27,661
Total liabilities	3,845,357	4,310,343	4,072,964	4,682,890	4,491,474
Share capital	143,695	143,695	143,695	143,695	143,695
Share premium reserve	2,054	1,946	1,916	1,911	1,900
Treasury shares	(103,196)	(103,142)	(103,121)	(103,121)	(103,068)
Retained earnings and other reserves	499,352	545,417	589,890	623,108	667,146
Non-controlling interest	-	-	-	-	-
Total equity	541,905	587,916	632,380	665,593	709,673

Balance Sheet (USD mln)

	01/04/2016	01/07/2016	01/10/2016	01/01/2017	01/04/2017
LIABILITIES AND EQUITY	12,768	14,464	14,027	16,048	16,578
Amounts due to customers	8,647	10,150	9,454	11,463	11,529
Amounts due to credit institutions	421	443	533	486	595
Financial liabilities at fair value through profit or loss	10	1	2	9	19
Debt securities issued	1,749	1,754	1,762	1,755	1,799
Provisions	3	3	3	3	2
Deferred tax liability	105	105	103	70	62
Insurance liabilities	177	185	193	193	222
Other liabilities	78	86	90	71	88
Total liabilities	11,191	12,728	12,141	14,050	14,316
Share capital	418	424	428	431	458
Share premium reserve	6	6	6	6	6
Treasury shares	(300)	(305)	(307)	(309)	(329)
Retained earnings and other reserves	1,453	1,611	1,758	1,870	2,126
Non-controlling interest	-	-	-	-	-
Total equity	1,577	1,736	1,885	1,997	2,262

Financial Overview of Halyk Bank



Income Statement (KZT mln)

	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017
Interest income	73,261	88,401	92,948	94,520	96,208
Interest expense	(41,961)	(41,722)	(43,003)	(44,355)	(46,299)
Net interest income before impairment charge	31,300	46,679	49,945	50,165	49,909
Impairment charge	(4,504)	(6,194)	(8,314)	(6,668)	(4,855)
Net interest income	26,796	40,485	41,631	43,497	45,054
Fees and commissions income	13,456	14,885	15,130	15,874	14,751
Fees and commissions expense	(3,203)	(3,281)	(2,540)	(3,067)	(3,160)
Net gain from financial assets and liabilities at fair value through profit or loss	2,994	(7,573)	(5,428)	(3,655)	(11,493)
Net realized gain from available-for-sale investment securities	227	798	1,847	2,234	222
Net gain on foreign exchange operations	(443)	8,316	7,333	7,417	15,133
Insurance underwriting income	4,885	7,450	7,607	8,129	8,948
Other income	930	1,831	1,209	2,521	889
OTHER NON-INTEREST INCOME	8,593	10,822	12,568	16,646	13,699
Operating expenses	(17,558)	(16,623)	(17,719)	(23,059)	(18,821)
Recoveries of provisions/(provisions)	(110)	150	9	(71)	243
Insurance claims incurred, net of reinsurance	(4,809)	(6,386)	(6,848)	(6,756)	(8,309)
NON-INTEREST EXPENSES	(22,477)	(22,859)	(24,558)	(29,886)	(26,887)
INCOME BEFORE INCOME TAX EXPENSE	23,165	40,052	42,231	43,064	43,457
Income tax expense	(4,874)	(5,839)	(5,367)	(5,653)	(4,975)
NET INCOME	18,291	34,213	36,864	37,411	38,482

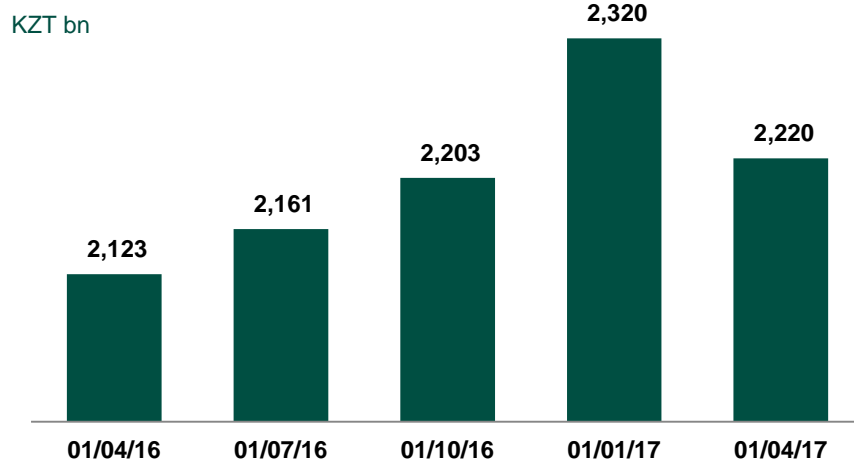
Income Statement (USD mln)

	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017
Interest income	206	263.43	272	282	298
Interest expense	(118)	(124)	(126)	(132)	(144)
Net interest income before impairment charge	88	139	146	150	155
Impairment charge	(13)	(18)	(24)	(20)	(15)
Net interest income	75	121	122	130	140
Fees and commissions income	38	44	44	47	46
Fees and commissions expense	(9)	(10)	(7)	(9)	(10)
Net gain from financial assets and liabilities at fair value through profit or loss	8	(23)	(16)	(11)	(36)
Net realized gain from available-for-sale investment securities	1	2	5	7	1
Net gain on foreign exchange operations	(1)	25	21	22	47
Insurance underwriting income	14	22	22	24	28
Other income	3	5	4	8	3
OTHER NON-INTEREST INCOME	24	32	37	50	42
Operating expenses	(49)	(50)	(52)	(69)	(58)
Recoveries of provisions/(provisions)	(0.3)	0.4	0.0	(0.2)	0.8
Insurance claims incurred, net of reinsurance	(14)	(19)	(20)	(20)	(26)
NON-INTEREST EXPENSES	(63)	(68)	(72)	(89)	(83)
INCOME BEFORE INCOME TAX EXPENSE	65	119	124	129	135
Income tax expense	(14)	(17)	(16)	(17)	(15)
NET INCOME	52	102	108	112	119

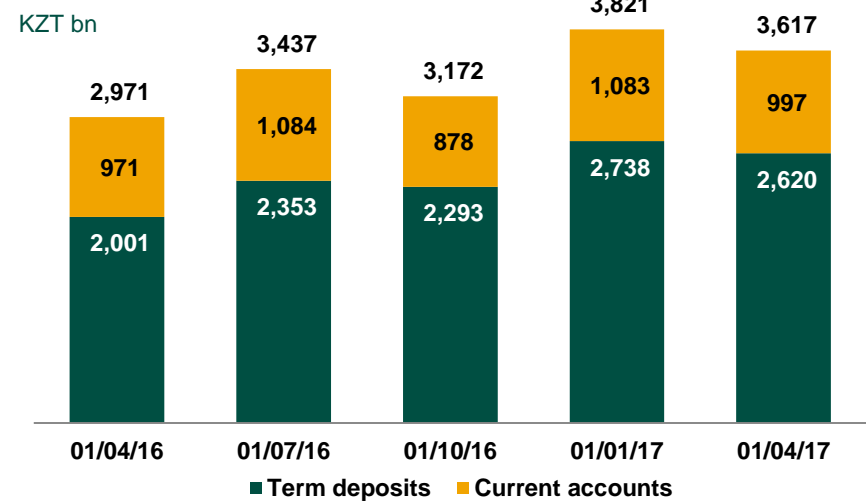


Financial Overview of Halyk Bank

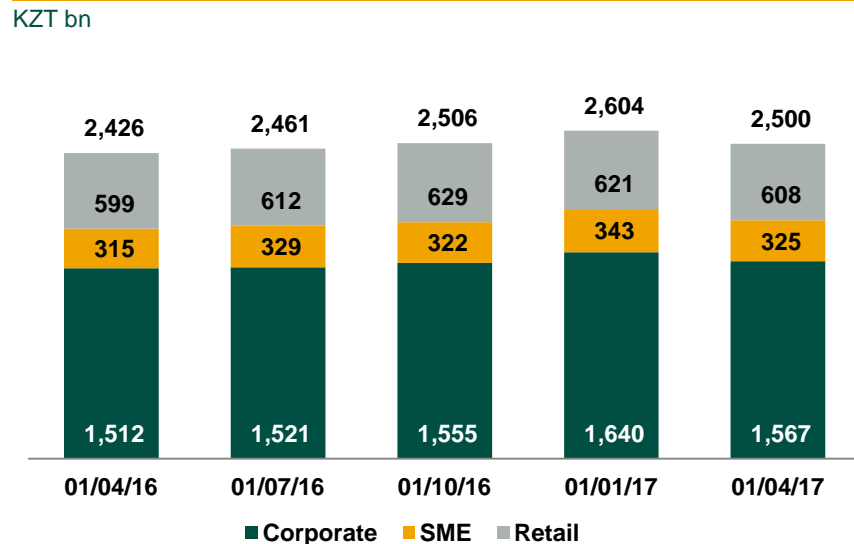
Net Loans



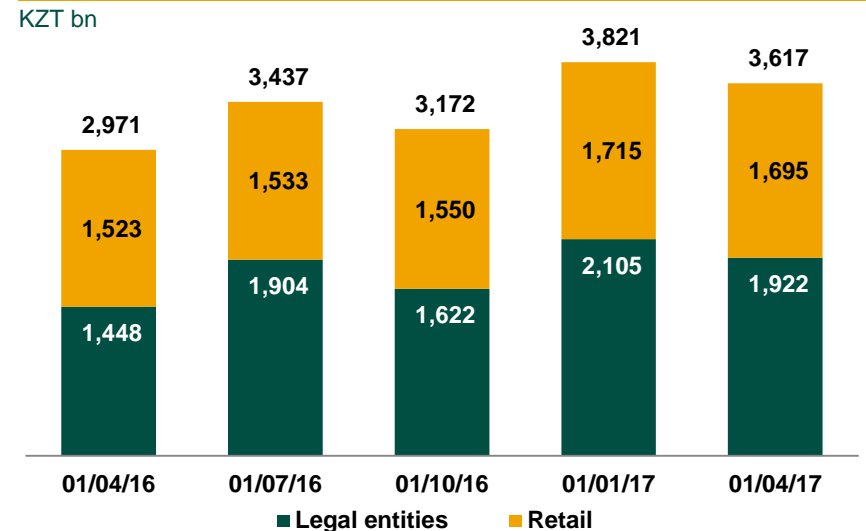
Deposits by Type



Breakdown of Gross Loans



Deposits by Type of Depositors



Financial Overview of Halyk Bank

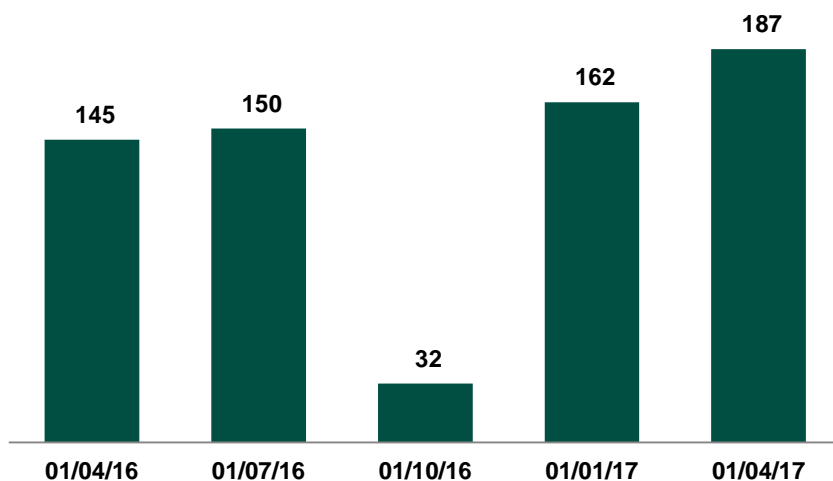


Bonds Outstanding

ISIN (NIN)	Currency	Issue Date	Maturity Date	Tenor, years	Initial Amount	Outstanding Amount, 01.01.2017	Coupon, 01.01.2017
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%

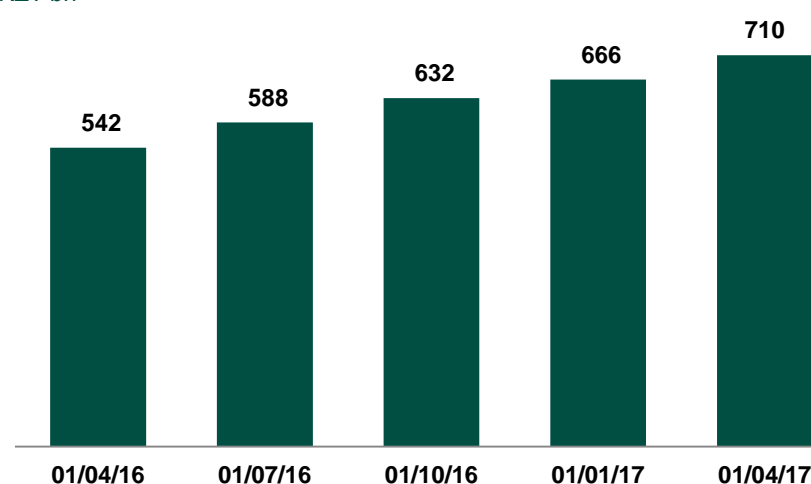
Amounts Due to Credit Institutions

KZT bn



Equity

KZT bn

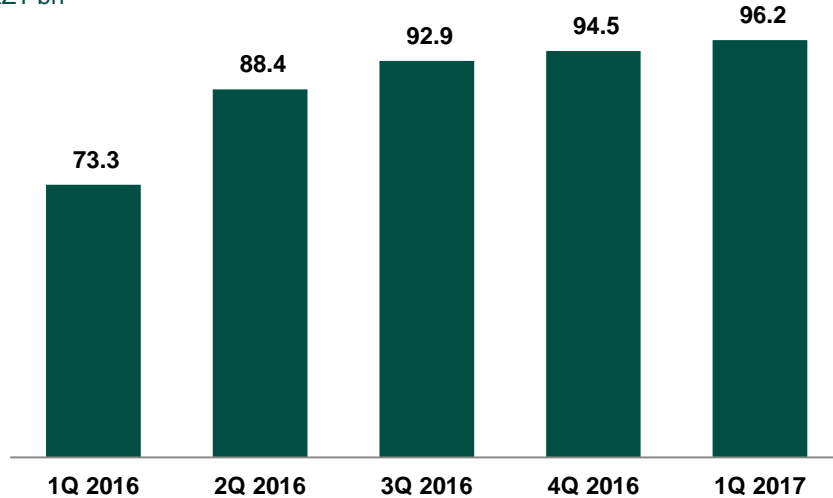


Financial Overview of Halyk Bank



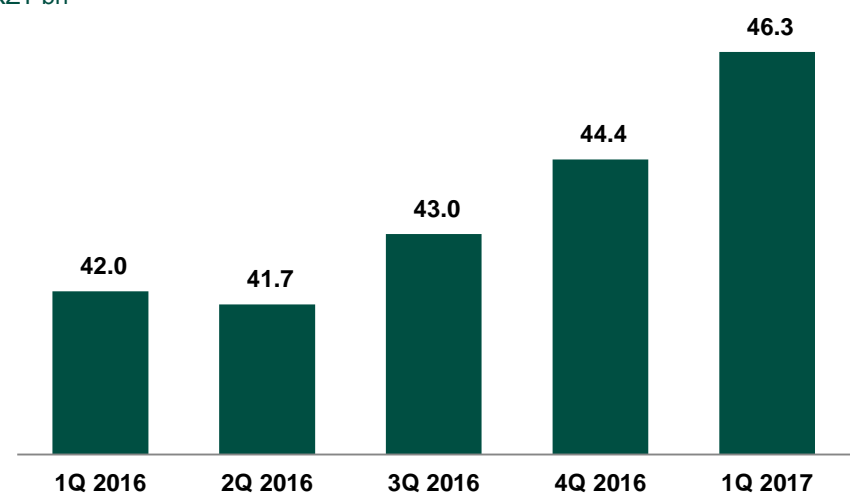
Interest Income

KZT bn



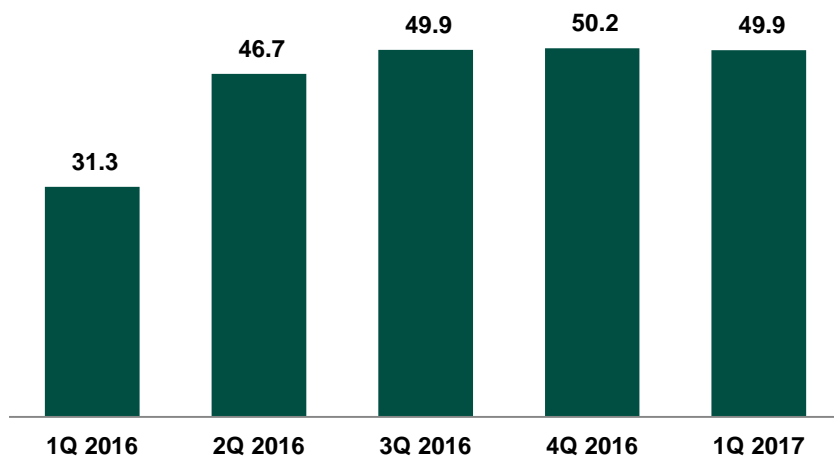
Interest Expense

KZT bn



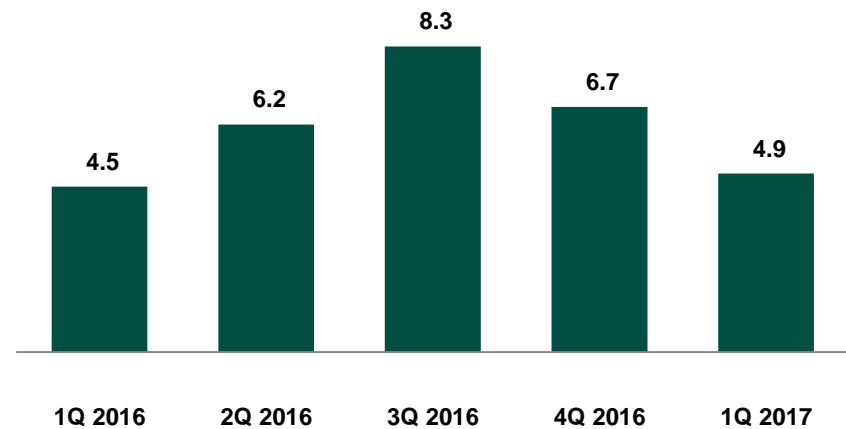
Net Interest Income before Impairment Charge

KZT bn



Impairment Charge

KZT bn

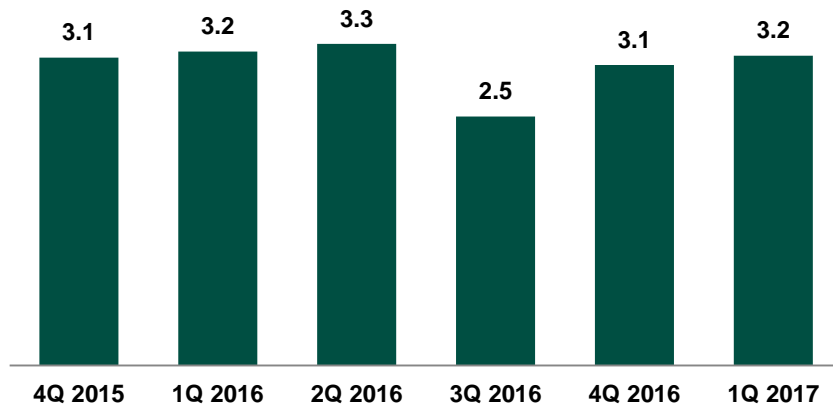


Financial Overview of Halyk Bank



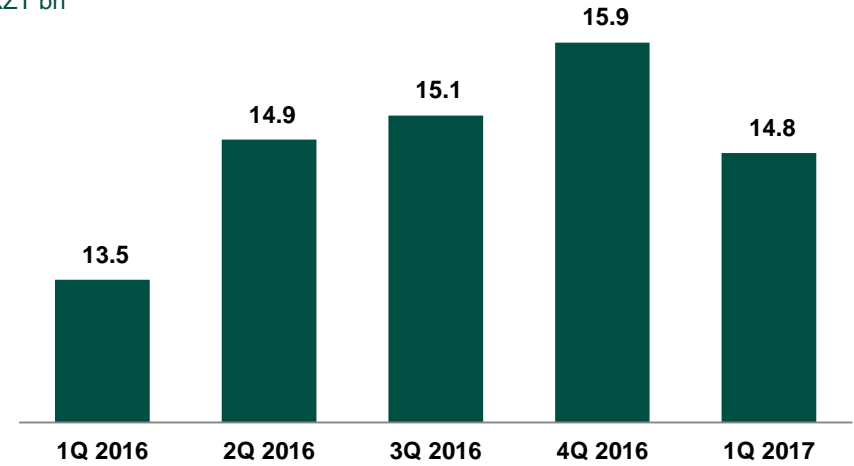
Fee and Commission Expense

KZT bn



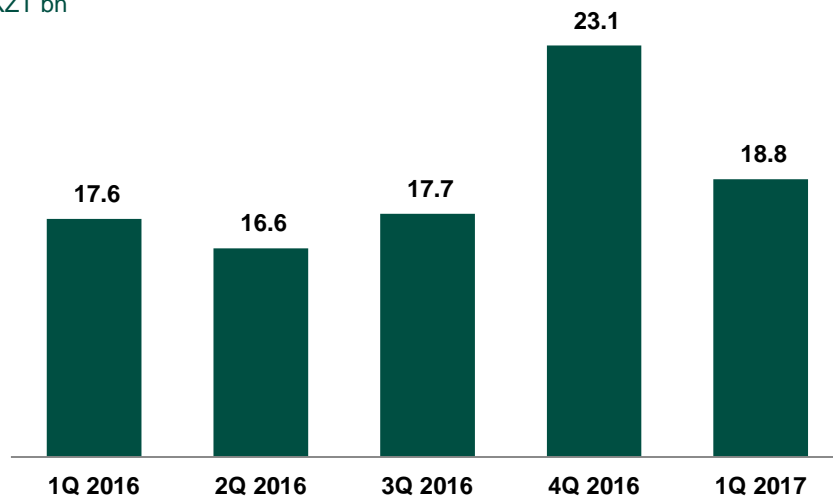
Fee and Commission Income from Transactional Banking

KZT bn

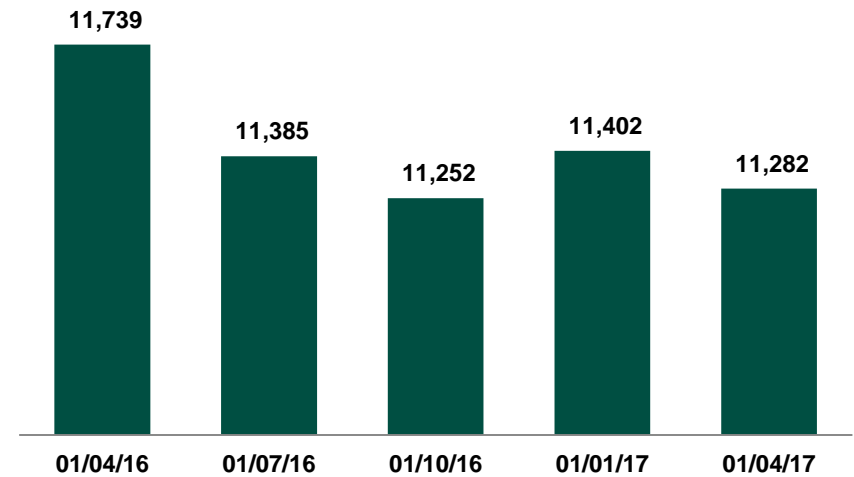


Operating Expenses

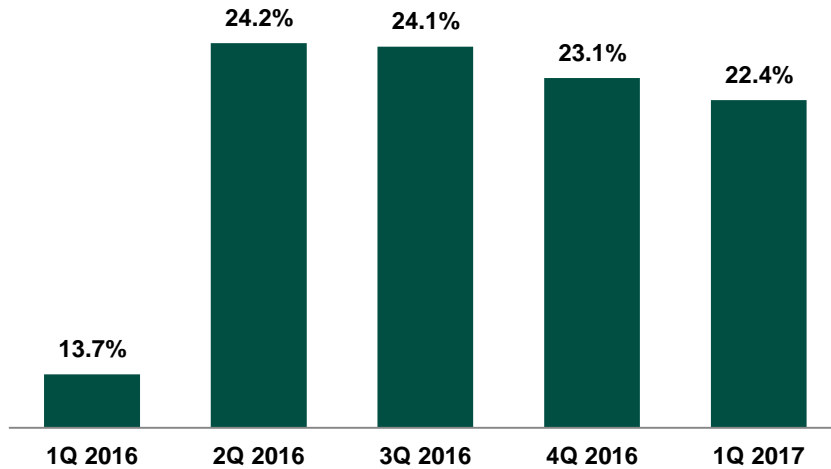
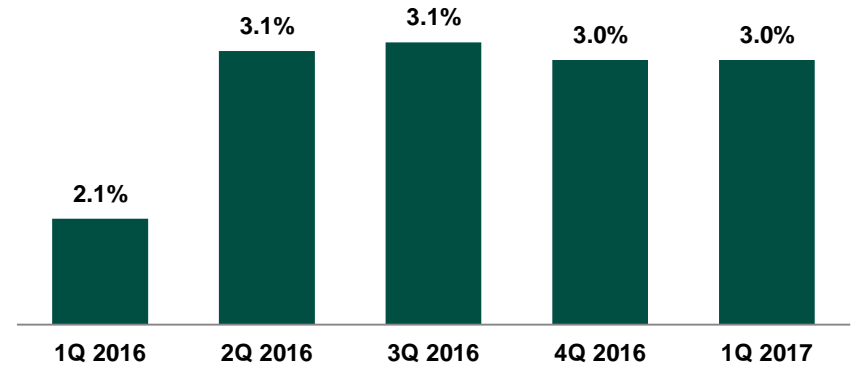
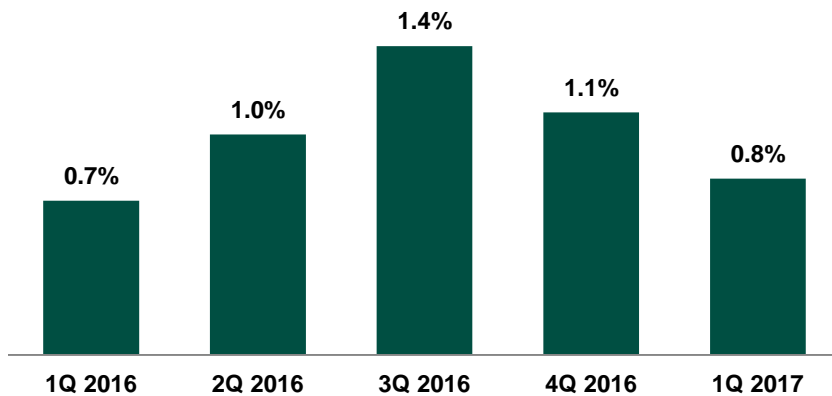
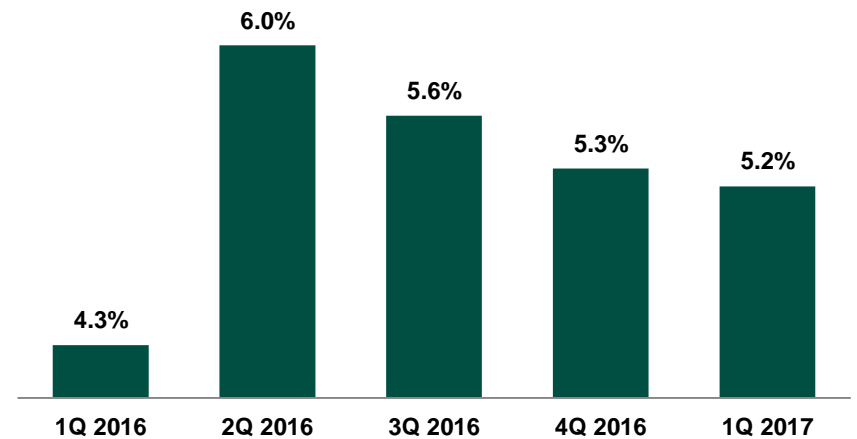
KZT bn



FTE (Full Time Employees)



Financial Overview of Halyk Bank

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

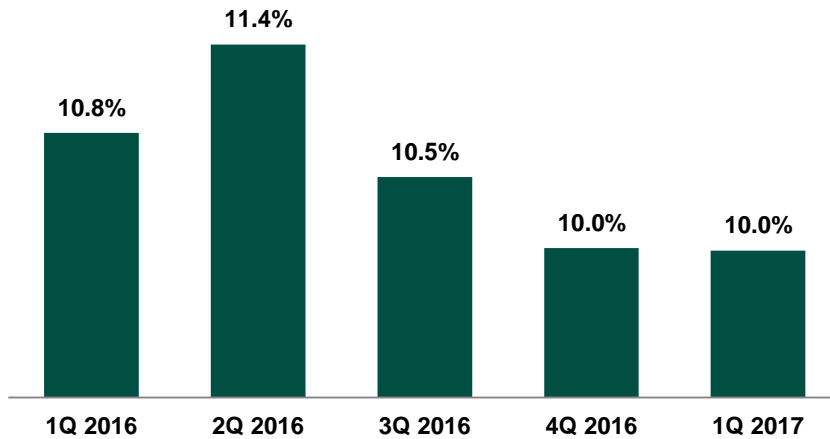
⁽¹⁾ annualised

Source: Halyk Bank's Consolidated Financial Statements

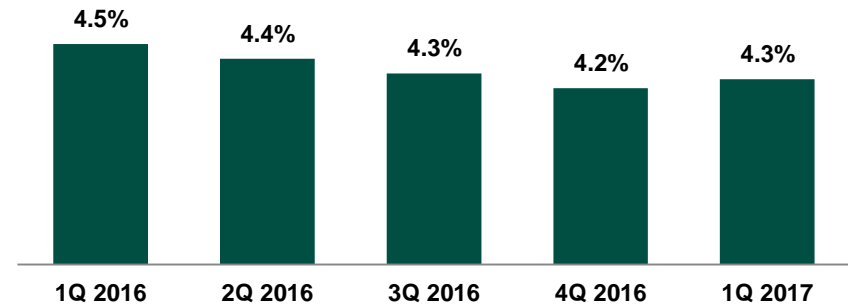
Financial Overview of Halyk Bank



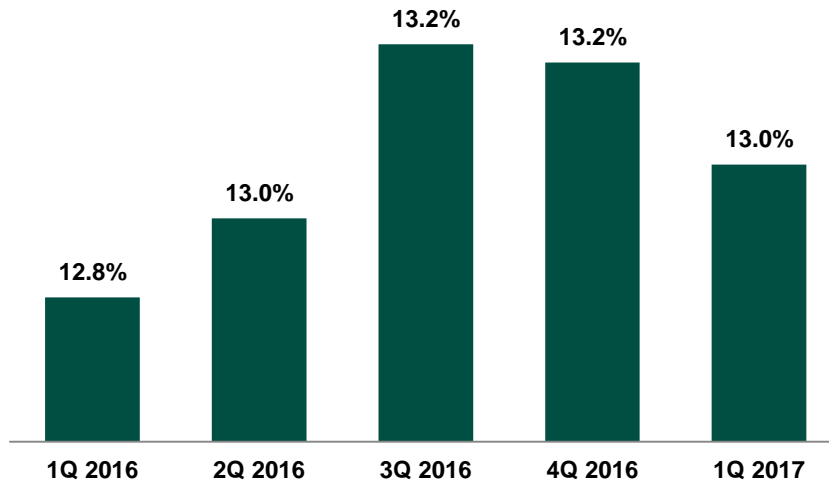
Average Interest Rates on Interest-Earning Assets ⁽¹⁾



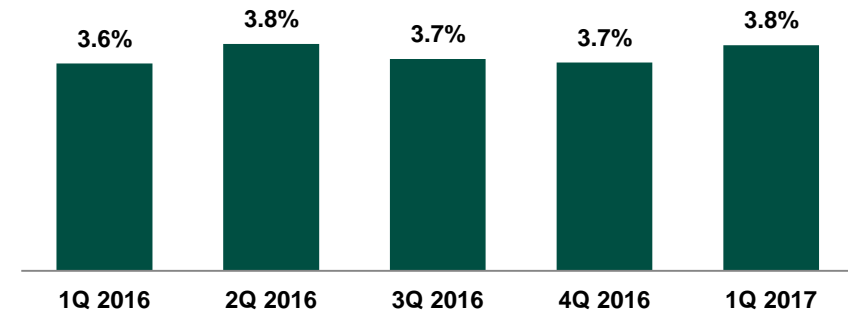
Average Interest Rates on Interest-Bearing Liabilities ⁽¹⁾



Average Interest Rates on Loans ⁽¹⁾



Average Interest Rates on Deposits ⁽¹⁾



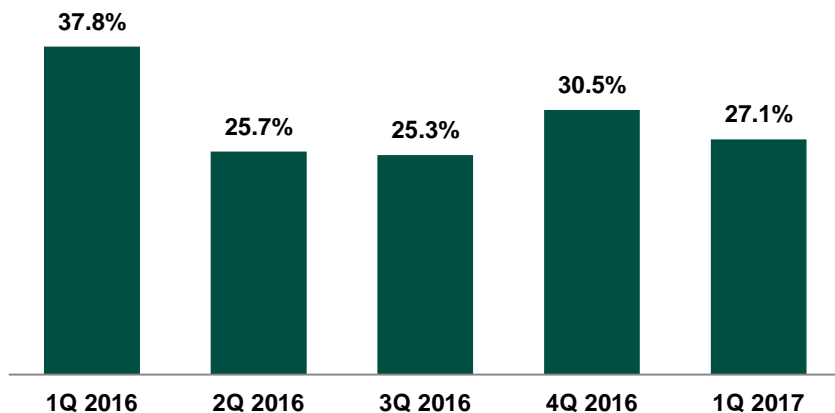
⁽¹⁾ annualised

Source: Halyk Bank's Consolidated Financial Statements

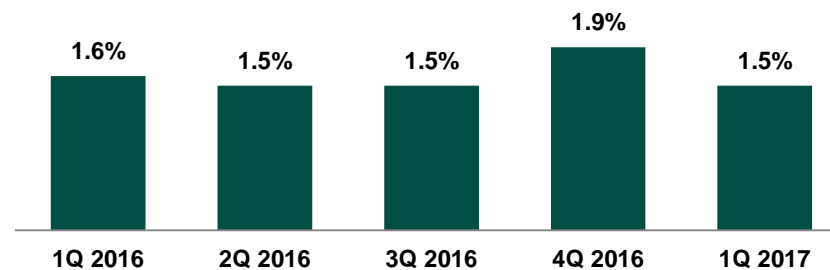
Financial Overview of Halyk Bank



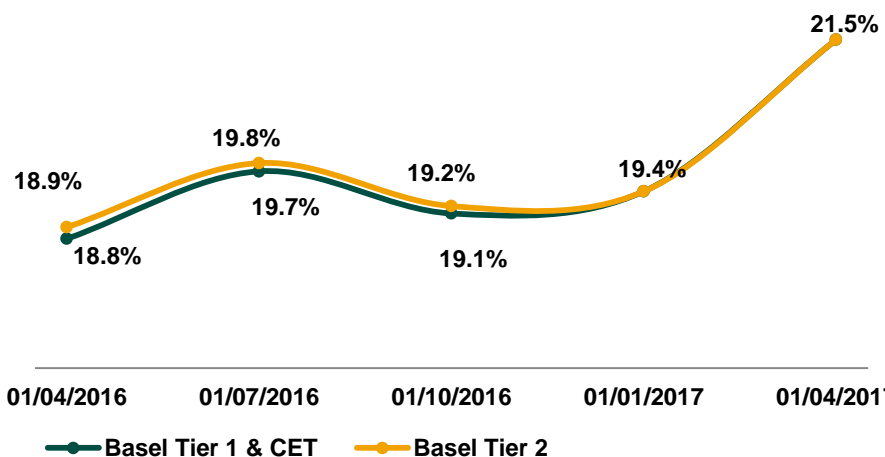
Cost-to-Income



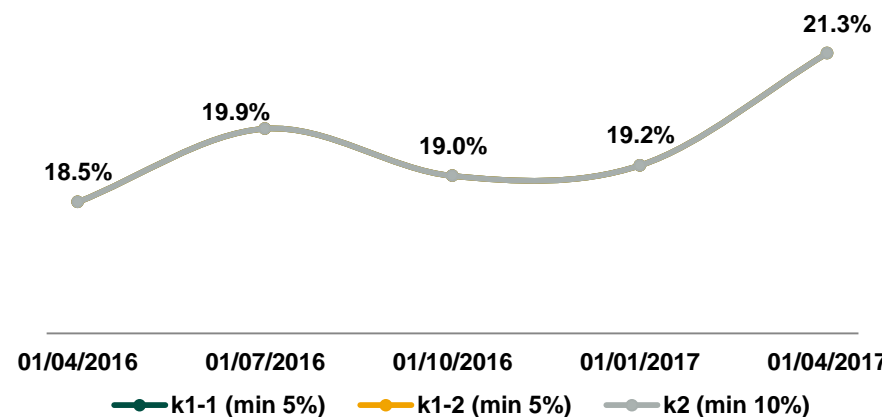
Cost-to-Average Assets ⁽¹⁾



Basel Capital Adequacy Ratios



NBK Capital Adequacy Ratios



⁽¹⁾ annualised

Source: Halyk Bank's Consolidated Financial Statements