



ANALYST HANDOUT

01.01.2018 – 01.04.2018
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.

Contents

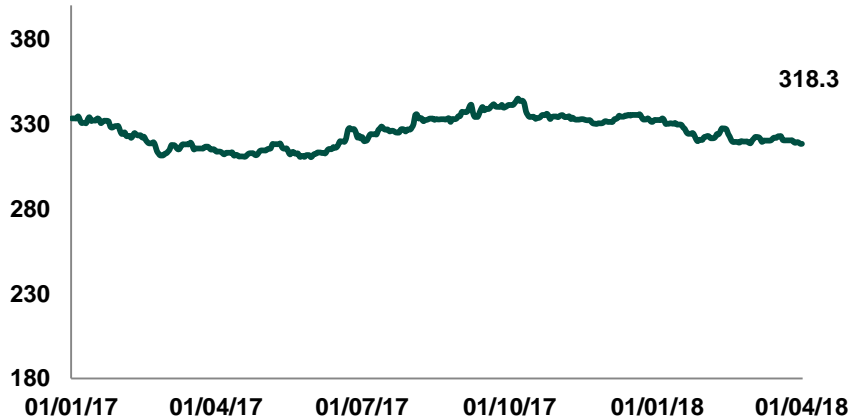


➤ Macroeconomic Data of Kazakhstan	Slide 4
➤ Banking Sector of Kazakhstan	Slides 5-6
➤ Ratings, 01.04.2018	Slide 7
➤ Industry Ranking – Top 5 Kazakhstan Banks	Slide 8
➤ Halyk Bank vs. Sector	Slide 9-10
➤ Market Position of Halyk Bank	Slide 11-12
➤ Market Penetration of Halyk Bank	Slide 13
➤ Shareholder Structure of Halyk Bank, 01.04.2018	Slide 14
➤ Board of Directors and Management Board	Slide 15
➤ Financial Overview of Halyk Bank	Slide 16-25



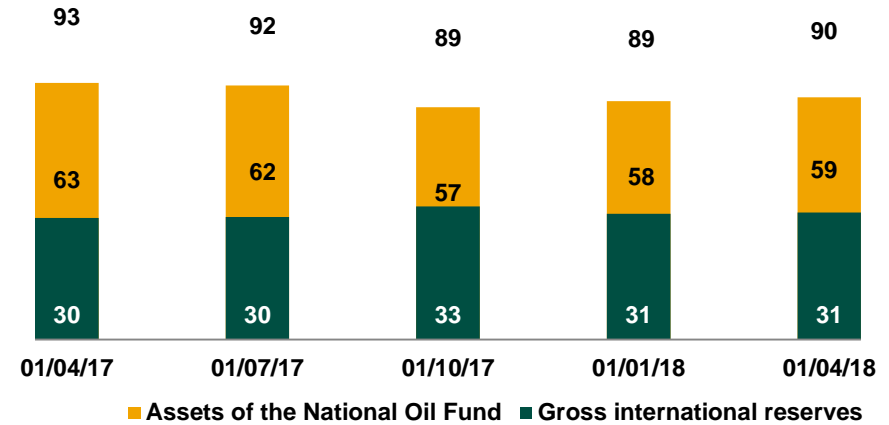
Macroeconomic Data of Kazakhstan

USD/KZT Exchange Rate

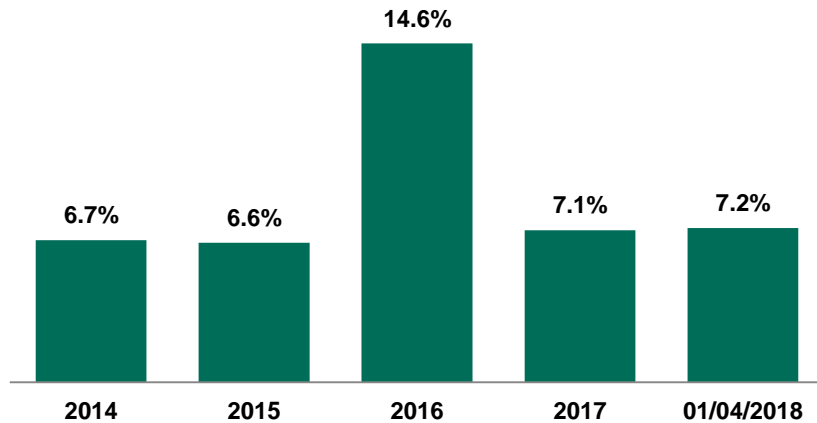


International Reserves

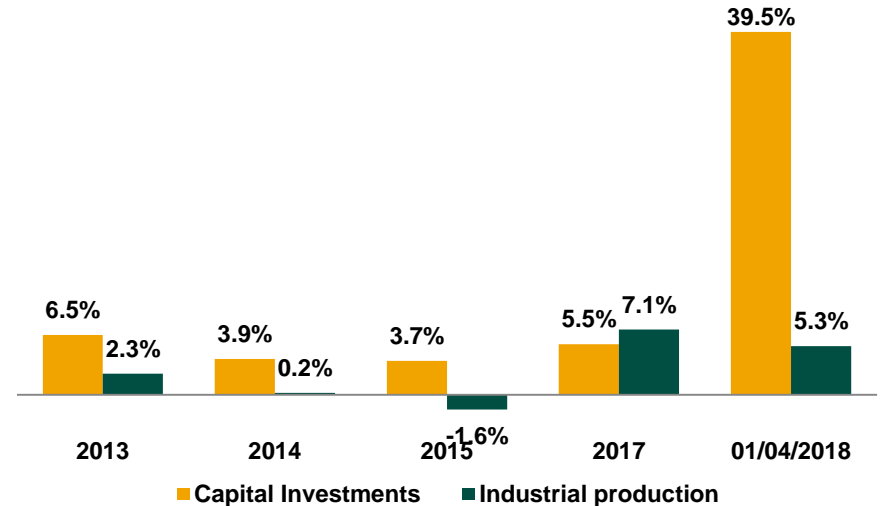
USD bn



Inflation *



Selected Macroeconomic Indices



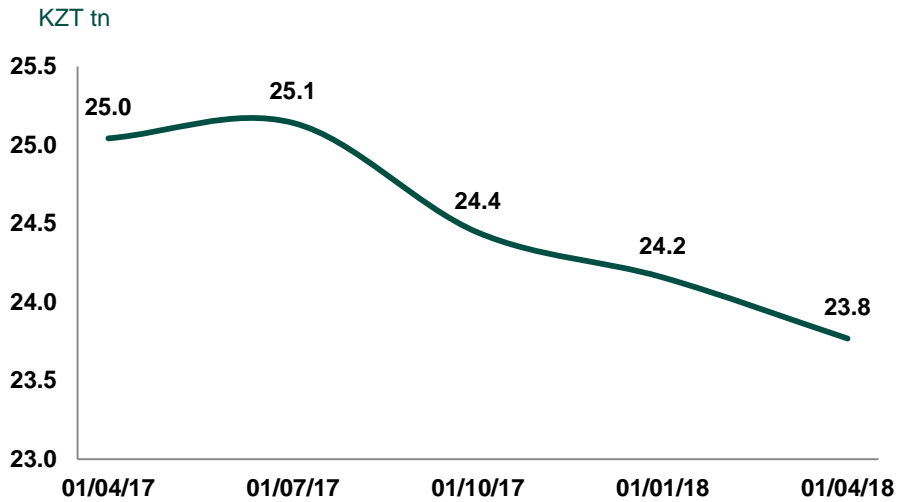
* year-to-year

Source: National Bank of Kazakhstan

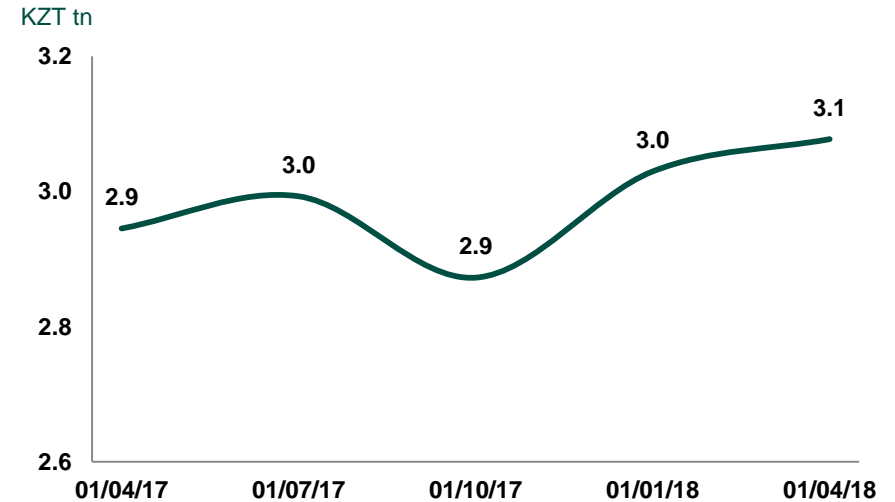
Banking Sector of Kazakhstan



Total Assets



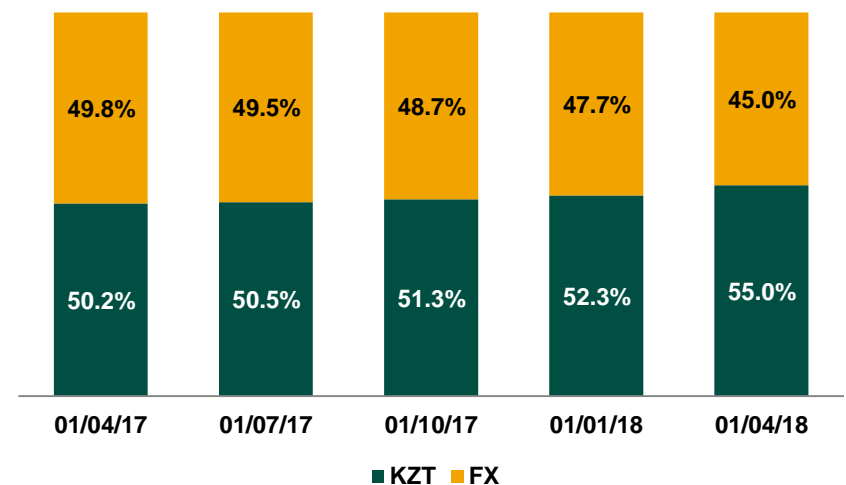
Equity



Total Deposits



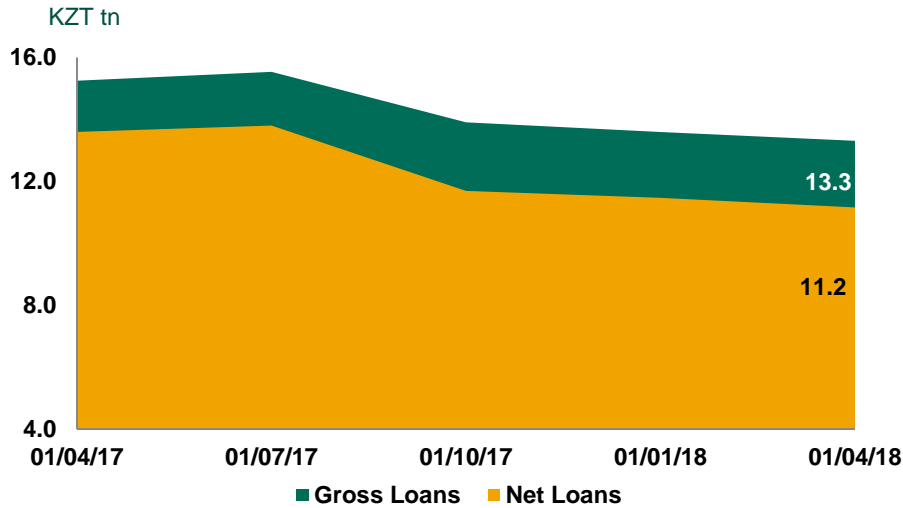
Deposits by Currency



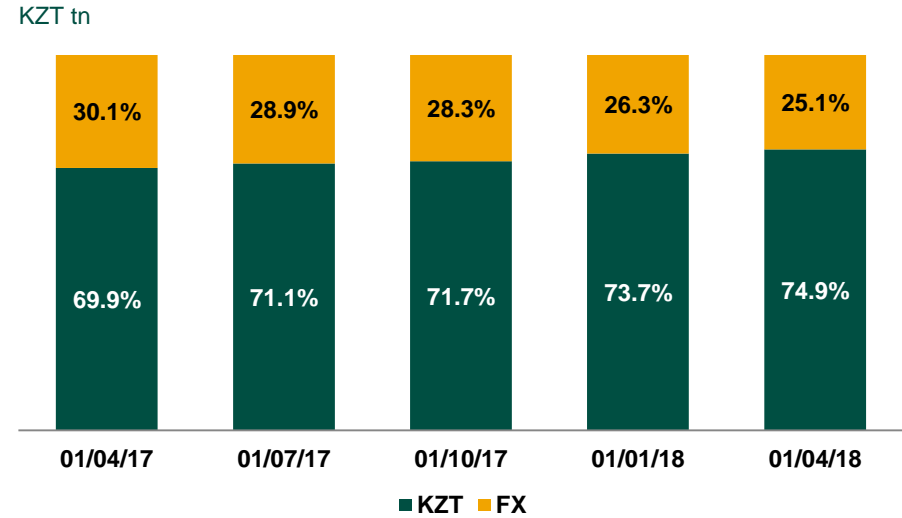
Banking Sector of Kazakhstan



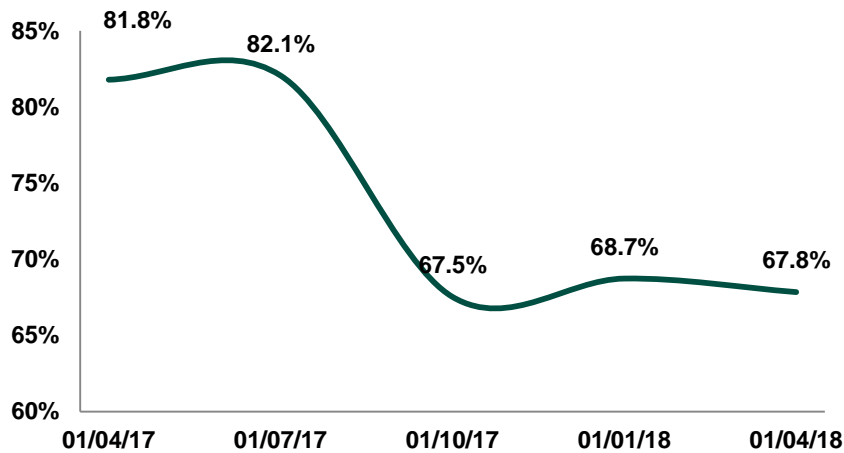
Loan Portfolio



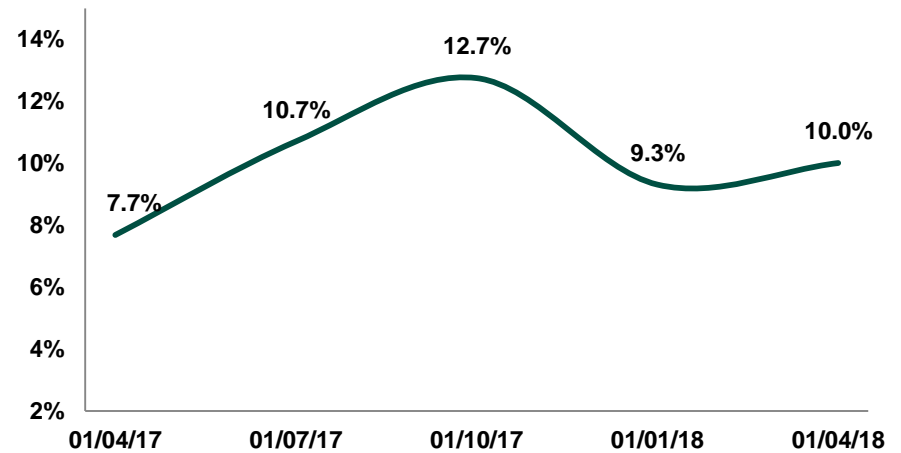
Loans by Currency



Loan to Deposit Ratio



NPLs 90+



Ratings, 01.04.2018



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	Stable

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	Stable

Credit Ratings of Halyk Bank

Moody's Investors Service

Long Term Bank Deposits Rating	Ba1
Short Term Bank Deposits Rating	Not prime
Outlook	Stable

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, 01.04.2018	Amount, KZT bn	Market share	Total Deposits, 01.04.2018	Amount, KZT bn	Market share	Total Liabilities, 01.04.2018	Amount, KZT bn	Market share
1 Halyk Bank+KKB	8,001	33.7%	Halyk Bank+KKB	5,743	35.6%	Halyk Bank+KKB	6,892	33.3%
2 TsesnaBank	2,066	8.7%	TsesnaBank	1,521	9.4%	TsesnaBank	1,879	9.1%
3 SberBank	1,689	7.1%	SberBank	1,205	7.5%	SberBank	1,534	7.4%
4 ForteBank	1,504	6.3%	ForteBank	1,018	6.3%	ForteBank	1,321	6.4%
5 Kaspi Bank	1,462	6.2%	BCC	987	6.1%	Kaspi Bank	1,292	6.2%
Gross loans, 01.04.2018	Amount, KZT bn	Market share	Total Corporate Deposits, 01.04.2018	Amount, KZT bn	Market share	Equity, 01.04.2018	Amount, KZT bn	Market share
1 Halyk Bank+KKB	4,100	30.8%	Halyk Bank+KKB	2,764	34.3%	Halyk Bank+KKB	1,109	36.0%
2 TsesnaBank	1,691	12.7%	TsesnaBank	838	10.4%	TsesnaBank	187	6.1%
3 SberBank	1,097	8.2%	ForteBank	581	7.2%	ForteBank	183	5.9%
4 BCC	982	7.4%	SberBank	533	6.6%	ZhilStroiSberBank	176	5.7%
5 Kaspi Bank	969	7.3%	ATF Bank	512	6.4%	Kaspi Bank	171	5.5%
Net loans, 01.04.2018	Amount, KZT bn	Market share	Total Retail Deposits, 01.04.2018	Amount, KZT bn	Market share	Net Income, IQ 2018*	Amount, KZT bn	Market share
1 Halyk Bank+KKB	3,023	27.1%	Halyk Bank+KKB	2,979	36.8%	Halyk Bank+KKB	91	41.7%
2 TsesnaBank	1,484	13.3%	Kaspi Bank	889	11.0%	SberBank	25	11.5%
3 SberBank	945	8.5%	TsesnaBank	684	8.5%	Kaspi Bank	25	11.3%
4 Kaspi Bank	862	7.7%	SberBank	671	8.3%	RBK	22	10.0%
5 BCC	850	7.6%	ZhilStroiSberBank	552	6.8%	TsesnaBank	11	4.9%

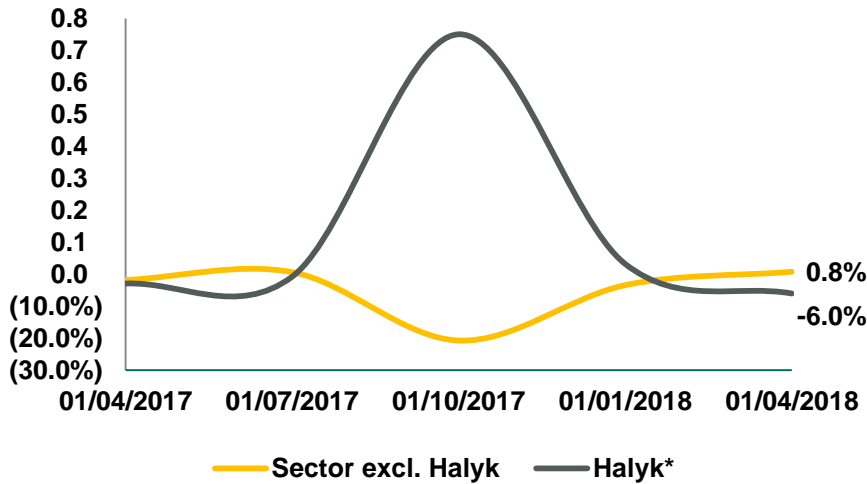
Source: National Bank of Kazakhstan, unconsolidated, KAS

* excl. banks with negative income

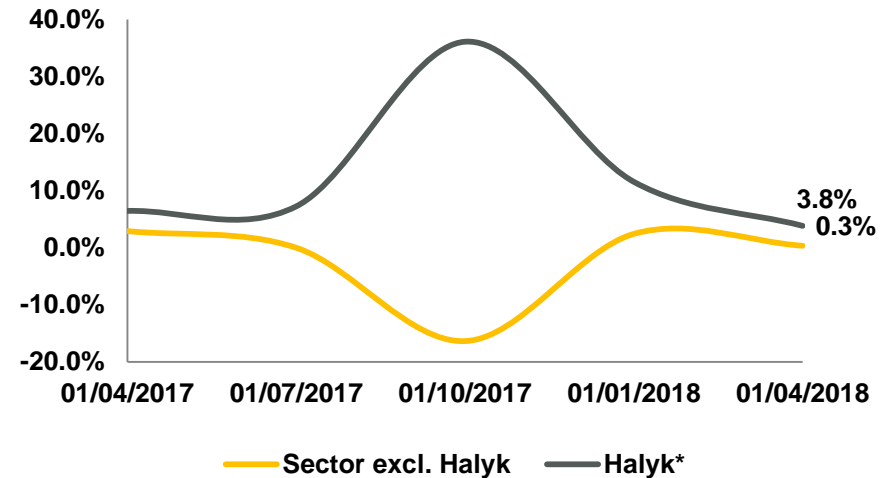


Halyk Bank+KKB vs. Sector

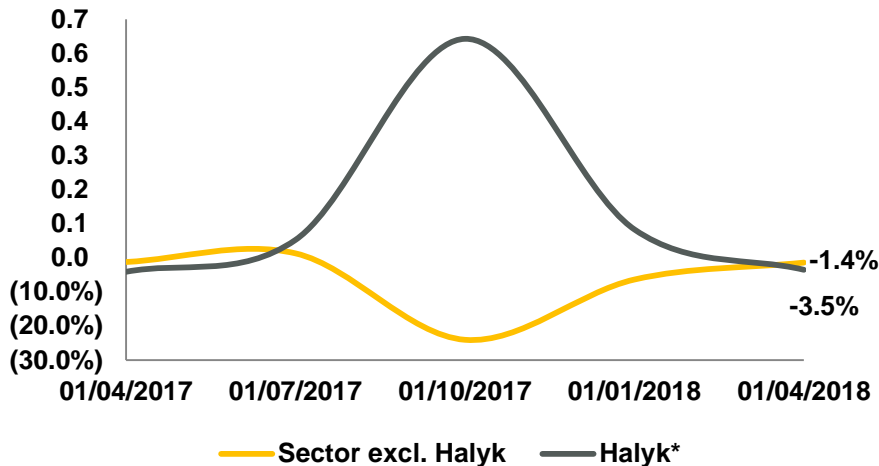
Growth Rate of Total Assets



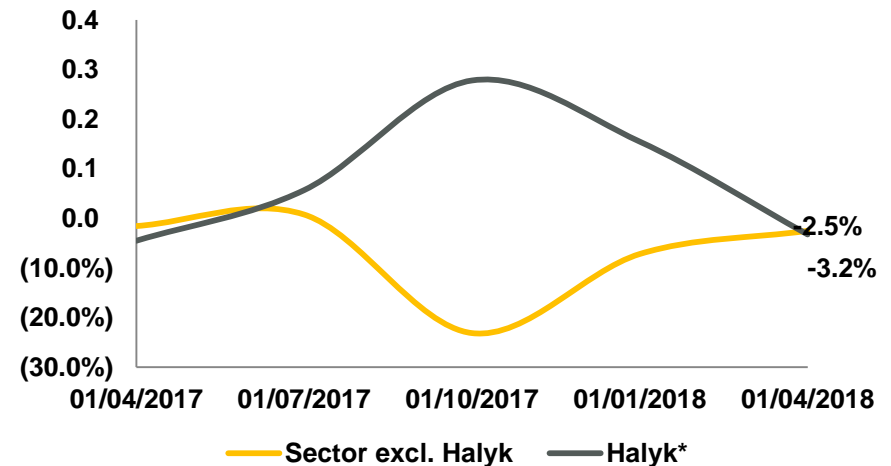
Growth Rate of Equity



Growth Rate of Gross Loans



Growth Rate of Net Loans



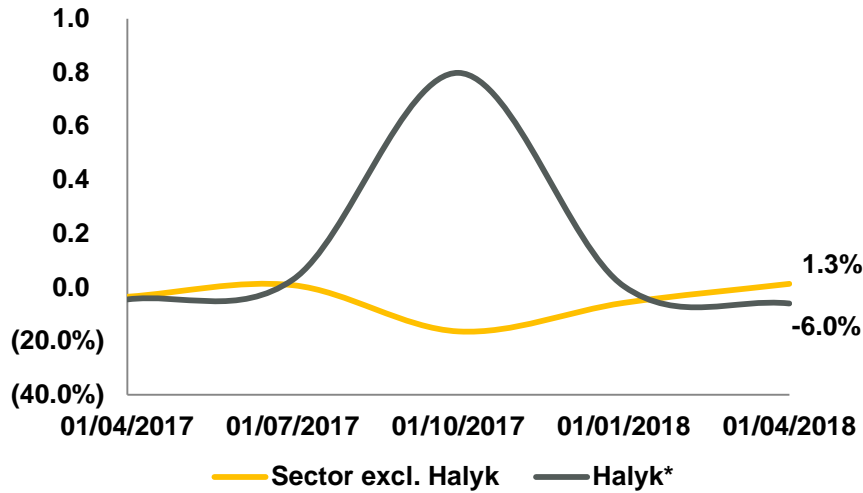
Source: National Bank of Kazakhstan, unconsolidated, KAS

* starting from 01.10.2017 Halyk Bank + KKB

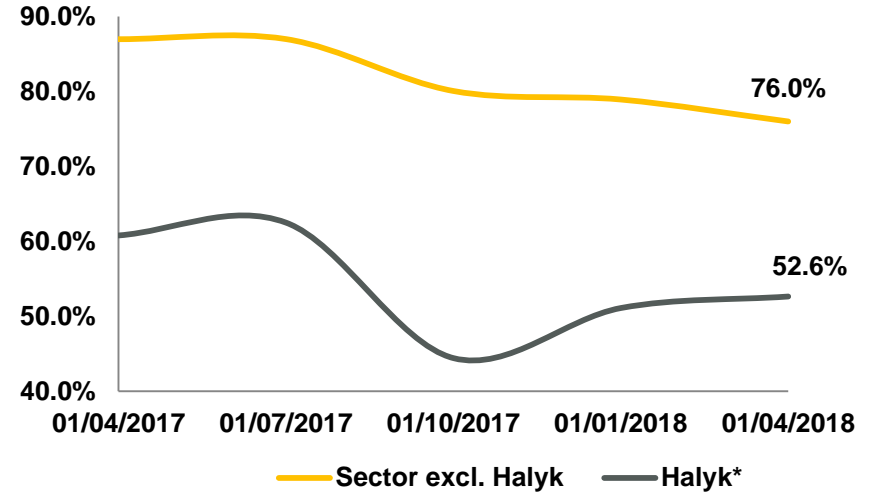


Halyk Bank+KKB vs. Sector

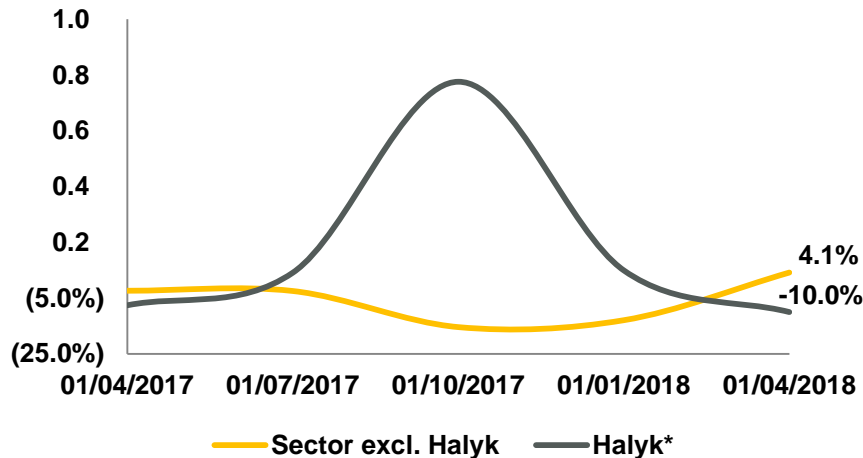
Growth Rate of Total Deposits



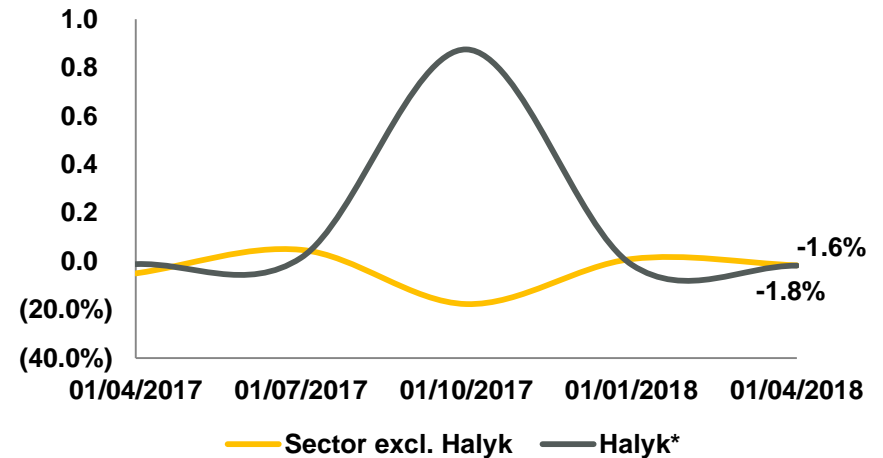
Loan to Deposit Ratio



Growth Rate of Corporate Deposits



Growth Rate of Retail Deposits



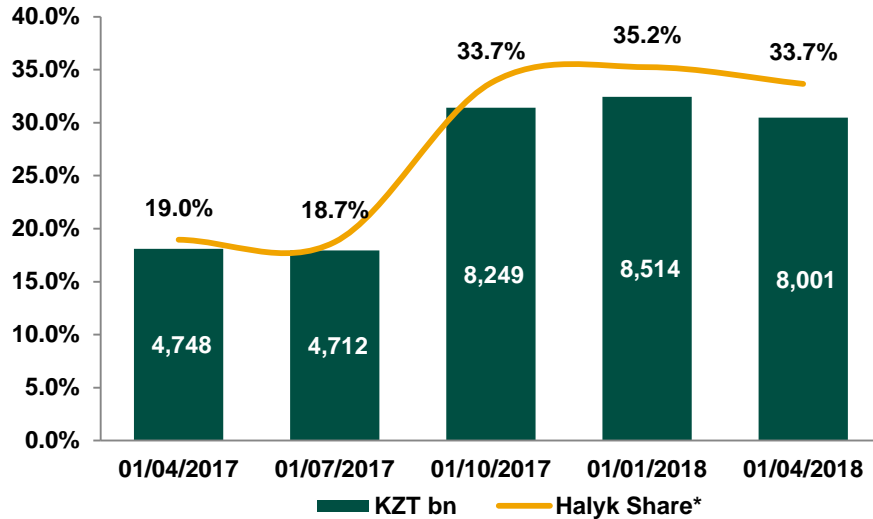
Source: National Bank of Kazakhstan, unconsolidated, KAS

* starting from 01.10.2017 Halyk Bank + KKB

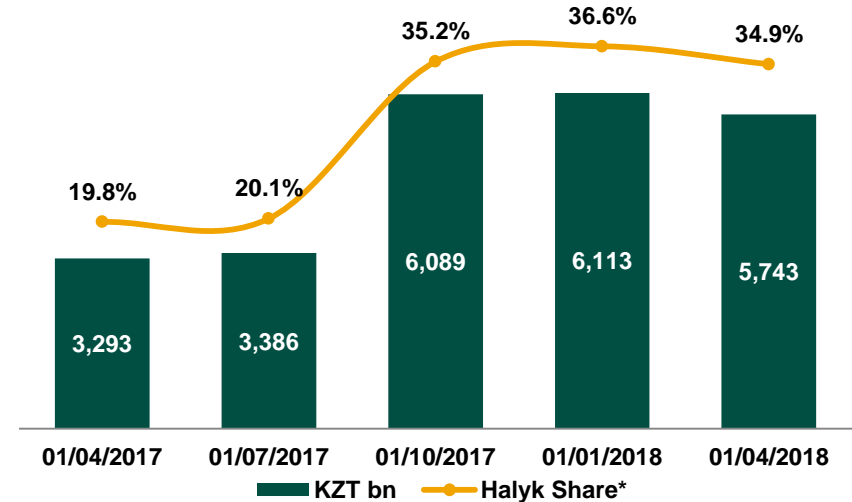
Market Position of Halyk Bank+KKB



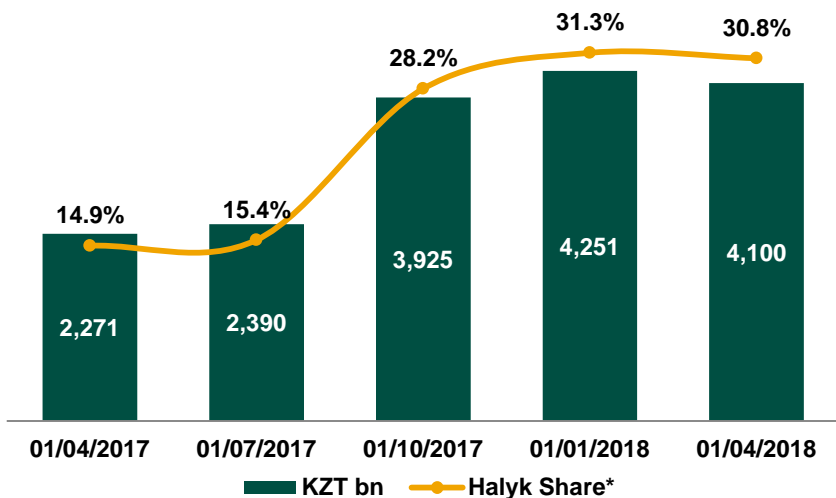
Total Assets



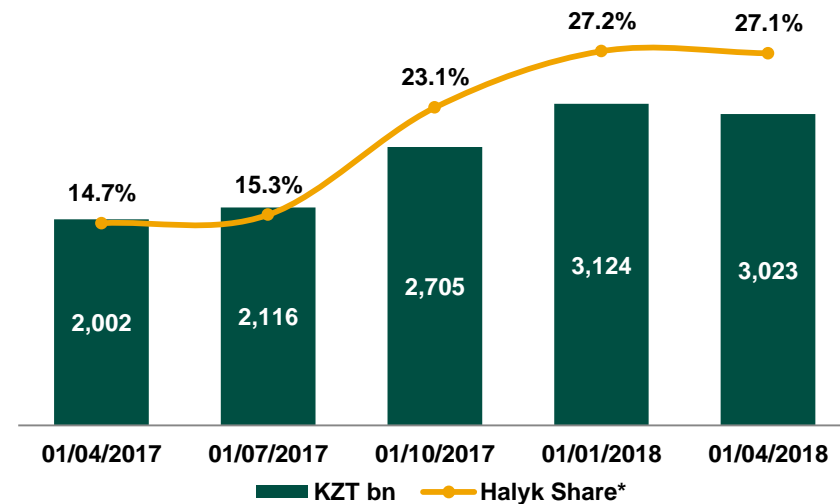
Total Deposits



Gross Loans



Net Loans



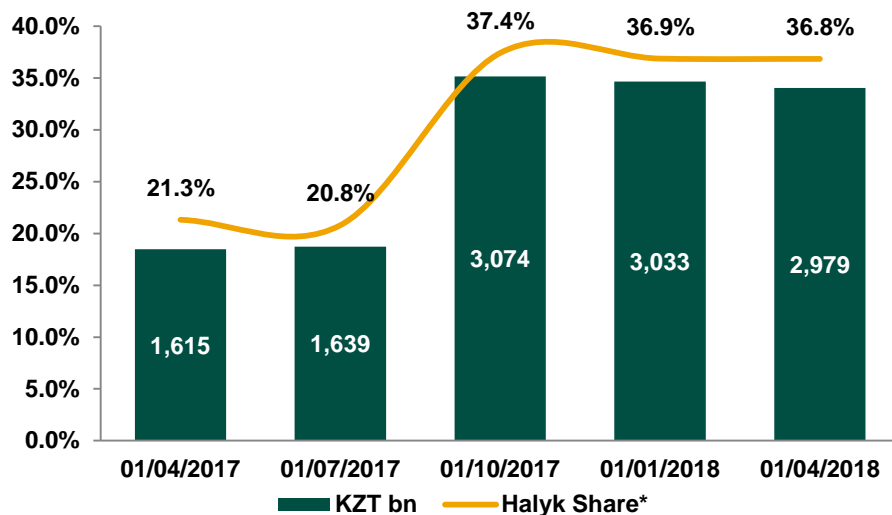
Source: National Bank of Kazakhstan, unconsolidated, KAS

* starting from 01.10.2017 Halyk Bank + KKB

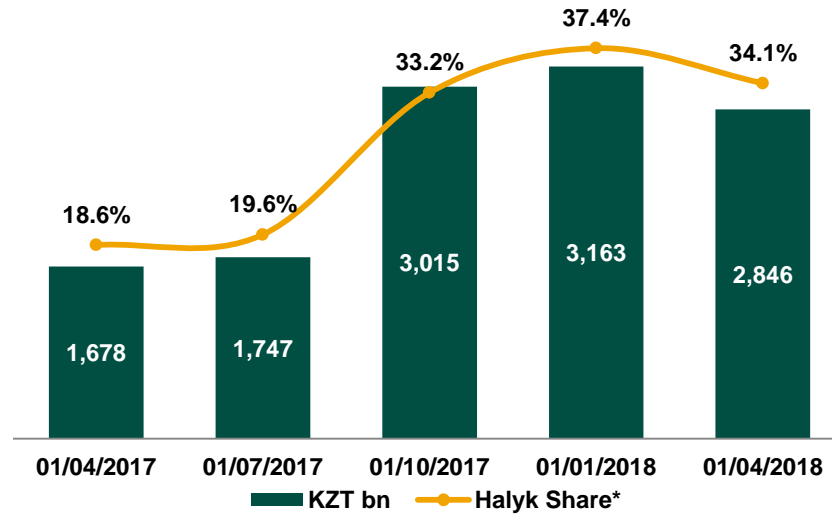


Market Position of Halyk Bank+KKB

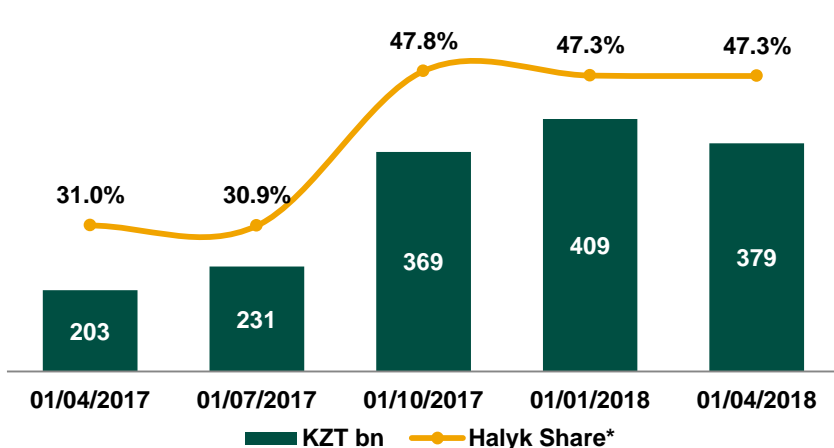
Total Retail Deposits



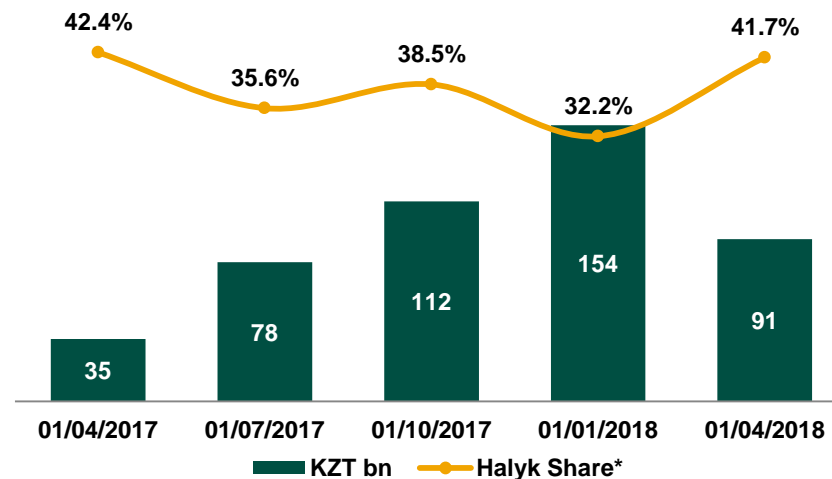
Total Corporate Deposits



Retail Current Accounts



Net Income



Source: National Bank of Kazakhstan, unconsolidated, KAS

* starting from 01.10.2017 Halyk Bank + KKB

Key Financial Indicators (continued)



	Halyk Bank + KKB			Halyk Bank only	
	31-Mar-2018	31-Dec-2017	30-Sep-17	30-Jun-17	31-Mar-17
Number of branches and outlets	688	699	719	504	506
Number of ATMs	4,556	4,594	4,599	2,367	2,368
Number of POS-terminals	77,925	74,602	72,747	23,455	23,657
Information and transaction terminals (multiservice kiosks)	283	360	397	408	431
Payment terminals	1,169	1,151	1,082	576	577
Clients of internet banking, <i>individuals</i>	3,210,124	2,960,989	2,688,324	1,045,138	980,854
Clients of internet banking, <i>legal entities</i>	98,277	93,384	81,603	16,170	15,824
SMS banking clients	2,982,253	2,895,291	2,861,603	1,912,326	1,811,636
Telebanking clients	211,362	196,756	179,613	163,018	155,510
Payment card holders	8,441,579	8,734,594	8,590,537	5,619,107	5,508,576
Payroll project clients (legal entities)	44,420	43,873	44,631	22,996	23,165

	1Q 2018	4Q 2017	3Q 2017	2Q 2017 ⁽²⁾	1Q 2017 ⁽²⁾
Cost-to-income ⁽¹⁾	29.3%	33.5%	26.4%	28.8%	26.6%
Return on average common shareholders' equity (RoAE)	29.2%	18.0%	28.6%	22.1%	22.4%
Return on average assets (RoAA)	2.9%	1.8%	2.9%	3.1%	3.0%
Net interest margin	4.3%	4.9%	4.8%	5.7%	5.2%
Operating expenses / average total assets	1.7%	2.1%	1.4%	1.7%	1.5%

⁽¹⁾ operating expense / operating income (net interest income before credit loss expense, net fees and commissions, other non-interest income, less insurance claims incurred, net of reinsurance, and expenses for insurance reserves), on consolidated IFRS basis.

⁽²⁾ financial indicators (RoAE, RoAA, NIM, Cost / Average Assets Ratio) are calculated taking into account Alтын Bank.

Shareholder Structure of Halyk Bank, 01.04.2018



No	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	73.5%	8,086,451,772	73.5%	-	-
2	Unified Accumulative Pension Fund Joint Stock Company	716,281,746	6.5%	716,281,746	6.5%	-	-
3	GDR holders	1,854,469,720	16.9%	1,854,469,720	16.9%	-	-
4	Other	337,373,663	3.1%	337,373,663	3.1%	-	-
5	Total outstanding (on consolidated basis)	10,994,576,901	100.0%	10,994,576,901	100.0%	-	-

Board of Directors and Management Board



Board of Directors of Halyk Bank, 01.04.2018

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, 01.04.2018

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

Yertay Salimov

Deputy Chairman, Operations and Treasury

Kuat Kussainbekov

Deputy Chairman, Information Technologies

Financial Overview of Halyk Bank



Balance Sheet (KZT mln)

	01/04/2017	01/07/2017	01/10/2017	01/01/2018	01/04/2018
ASSETS	5,201,147	5,275,683	8,674,584	8,857,781	8,411,931
Cash and cash equivalents	1,490,194	1,202,427	1,616,411	1,780,548	1,284,903
Obligatory reserves	72,429	66,127	110,521	111,039	102,040
Financial assets at fair value through profit or loss	96,110	100,911	297,121	144,976	67,035
Amounts due from credit institutions	38,774	35,154	77,056	87,736	86,357
Available-for-sale investment securities	1,069,305	998,421	2,476,176	2,565,425	1,636,861
Debt securities at amortized cost, net of allowances for expected credit losses					1,069,875
Precious metals	1,713	1,888	5,091	5,111	4,950
Loans to customers	2,219,541	2,195,024	3,123,070	3,251,102	3,225,965
Property and equipment	94,309	89,964	138,848	137,684	137,295
Assets held for sale	11,048	476,932	581,208	552,405	574,072
Goodwill	4,954	3,085	3,085	3,085	3,085
Intangible assets	8,828	5,925	9,031	8,251	7,705
Insurance assets	27,538	27,320	44,660	40,162	43,932
Other assets	66,404	72,505	192,306	170,257	167,856

Balance Sheet (USD mln)

	01/04/2017	01/07/2017	01/10/2017	01/01/2018	01/04/2018
ASSETS	16,578	16,370	25,424	26,654	26,427
Cash and cash equivalents	4,750	3,731	4,738	5,358	4,037
Obligatory reserves	231	205	324	334	321
Financial assets at fair value through profit or loss	306	313	871	436	211
Amounts due from credit institutions	124	109	226	264	271
Available-for-sale investment securities	3,408	3,098	7,257	7,720	5,142
Debt securities at amortized cost, net of allowances for expected credit losses					3,361
Precious metals	5	6	15	15	16
Loans to customers	7,075	6,811	9,153	9,783	10,135
Property and equipment	301	279	407	414	431
Assets held for sale	35	1,480	1,703	1,662	1,803
Goodwill	16	10	9	9	10
Intangible assets	28	18	26	25	24
Insurance assets	88	85	131	121	138
Other assets	212	225	564	512	527

Financial Overview of Halyk Bank



Balance Sheet (KZT mln)

	01/04/2017	01/07/2017	01/10/2017	01/01/2018	01/04/2018
LIABILITIES AND EQUITY	5,201,147	5,275,683	8,674,584	8,857,781	8,411,931
Amounts due to customers	3,617,073	3,481,523	6,076,281	6,131,750	5,756,556
Amounts due to credit institutions	186,694	132,015	154,892	255,151	158,486
Financial liabilities at fair value through profit or loss	5,935	4,178	5,575	5,831	13,856
Debt securities issued	564,453	383,602	988,774	962,396	924,693
Provisions	723	182	17,449	16,098	16,977
Deferred tax liability	19,443	20,839	22,564	8,789	3,637
Insurance liabilities	69,492	71,273	143,154	139,543	150,897
Other liabilities	27,661	17,199	66,313	69,139	62,094
Liabilities directly associated with assets classified as held for sale		410,091	372,899	334,627	377,326
Total liabilities	4,491,474	4,520,902	7,847,901	7,923,324	7,464,522
Share capital	143,695	143,695	143,695	143,695	143,695
Share premium reserve	1,900	1,886	1,863	1,839	1,902
Treasury shares	(103,068)	(103,041)	(106,176)	(104,234)	(104,447)
Retained earnings and other reserves	667,146	712,241	786,677	820,716	828,559
Non-controlling interest	-	-	624	72,441	77,700
Total equity	709,673	754,781	826,683	934,457	947,409

Balance Sheet (USD mln)

	01/04/2017	01/07/2017	01/10/2017	01/01/2018	01/04/2018
LIABILITIES AND EQUITY	16,578	16,370	25,424	26,654	26,427
Amounts due to customers	11,529	10,803	17,809	18,451	18,085
Amounts due to credit institutions	595	410	454	768	498
Financial liabilities at fair value through profit or loss	19	13	16	18	44
Debt securities issued	1,799	1,190	2,898	2,896	2,905
Provisions	2	1	51	48	53
Deferred tax liability	62	65	66	26	11
Insurance liabilities	222	221	420	420	474
Other liabilities	88	53	194	208	195
Liabilities directly associated with assets classified as held for sale	-	1,273	1,093	1,007	1,185
Total liabilities	14,316	14,028	23,002	23,842	23,450
Share capital	458	446	421	432	451
Share premium reserve	6	6	5	6	6
Treasury shares	(329)	(320)	(311)	(314)	(328)
Retained earnings and other reserves	2,126	2,210	2,306	2,470	2,603
Non-controlling interest	-	-	2	218	244
Total equity	2,262	2,342	2,423	2,812	2,976

Financial Overview of Halyk Bank

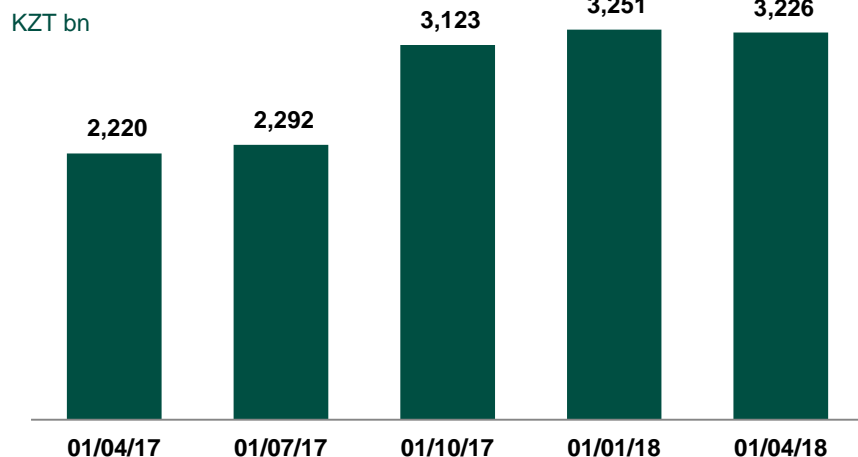


Income Statement (KZT mln)						Income Statement (USD mln)					
	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018		1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
Interest income	96,208	94,241	154,347	167,276	162,005	Interest income	298	299	465	500	501
Interest expense	(46,299)	(42,310)	(86,314)	(85,569)	(87,617)	Interest expense	(144)	(134)	(260)	(256)	(271)
Net interest income before impairment charge	49,909	51,931	68,033	81,707	74,388	Net interest income before impairment charge	155	165	205	244	230
Impairment charge	(4,855)	(5,868)	(13,322)	(43,149)	(5,197)	Impairment charge	(15)	(19)	(40)	(129)	(16)
Net interest income	45,054	46,063	54,711	38,558	69,191	Net interest income	140	146	165	115	214
Fees and commissions income	14,751	15,602	28,893	28,760	26,374	Fees and commissions income	46	50	87	86	82
Fees and commissions expense	(3,160)	(3,167)	(9,922)	(10,703)	(9,680)	Fees and commissions expense	(10)	(10)	(30)	(32)	(30)
Net gain from financial assets and liabilities at fair value through profit or loss	(11,493)	4,234	67,018	(28,114)	(44,324)	Net gain from financial assets and liabilities at fair value through profit or loss	(36)	13	202	(84)	(137)
Net realized gain from available-for-sale investment securities	222	2	609	237	1,778	Net realized gain from available-for-sale investment securities	1	0	2	1	5
Net gain on foreign exchange operations	15,133	(1,162)	(61,699)	43,216	55,425	Net gain on foreign exchange operations	47	(4)	(186)	129	171
Insurance underwriting income	8,948	11,337	16,143	18,680	14,653	Insurance underwriting income	28	36	49	56	45
Other income	889	1,377	7,174	14,179	13,961	Other income	3	4	22	42	43
OTHER NON-INTEREST INCOME	13,699	15,788	29,245	48,198	41,493	OTHER NON-INTEREST INCOME	42	50	88	144	128
Operating expenses	(18,821)	(20,790)	(27,870)	(46,216)	(34,281)	Operating expenses	(58)	(66)	(84)	(138)	(106)
Recoveries of provisions/(provisions)	243	97	151	1,275	1,355	Recoveries of provisions/(provisions)	1	0.3	0	4	4
Insurance claims incurred, net of reinsurance	(8,309)	(10,774)	(13,785)	(15,747)	(14,361)	Insurance claims incurred, net of reinsurance	(26)	(34)	(41)	(47)	(44)
NON-INTEREST EXPENSES	(26,887)	(31,467)	(41,504)	(60,688)	(47,287)	NON-INTEREST EXPENSES	(83)	(100)	(125)	(181)	(146)
INCOME BEFORE INCOME TAX EXPENSE	43,457	42,819	61,423	44,125	80,091	INCOME BEFORE INCOME TAX EXPENSE	135	136	185	132	248
Income tax expense	(4,975)	(5,069)	(7,524)	(8,167)	(10,159)	Income tax expense	(15)	(16)	(23)	(24)	(31)
NET PROFIT FROM CONTINUING OPERATIONS	38,482	37,750	53,899	35,958	69,932	NET PROFIT FROM CONTINUING OPERATIONS	119	120	162	108	216
Minority interest in net income			(50)	(51)	10,464	Minority interest in net income			(0)	(0)	32
Net Profit from continuing operations			53,849	35,907	59,468	Net Profit from continuing operations			162	107	184
NET PROFIT FROM DISCONTINUED OPERATIONS	-	2,650	2,590	2,134	2,585	NET PROFIT FROM DISCONTINUED OPERATIONS	-	8	8	6	8
NET INCOME	38,482	40,400	56,439	38,041	62,053	NET INCOME	119	128	170	114	192

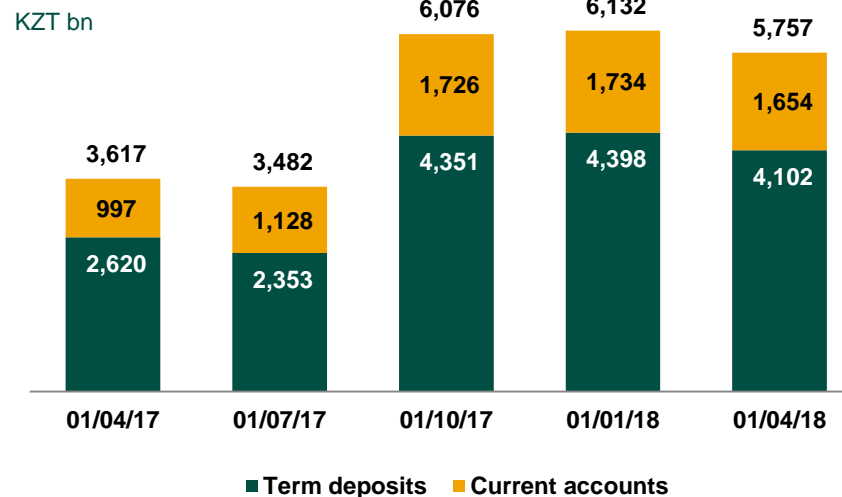


Financial Overview of Halyk Bank

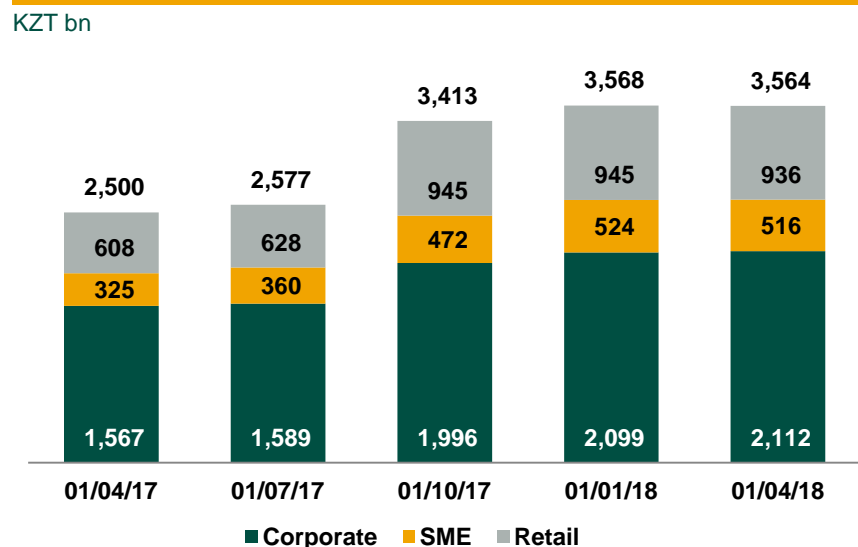
Net Loans



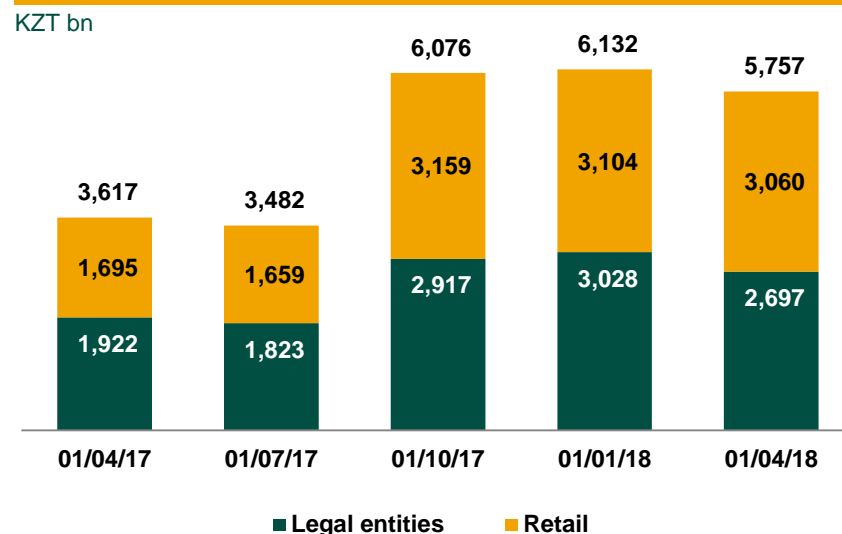
Deposits by Type



Breakdown of Gross Loans



Deposits by Type of Depositors



Financial Overview of Halyk Bank

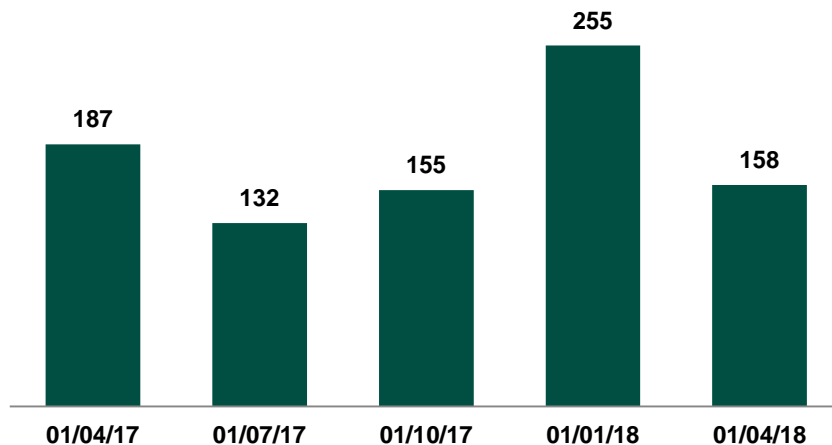


Bonds Outstanding

ISIN (NIN)	Currency	Issue Date	Maturity Date	Tenor, years	Initial Amount	Outstanding Amount, 01.04.2018	Coupon, 01.04.2018
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%
XS0583796973 / US46627JAB08	USD	28.01.2011	28.01.2021	10	500,000,000	500,000,000	7.25%
XS0867478124/ XS0867573890	USD	21.12.2012	21.12.2022	10	750,000,000	748,012,457	5.5%
KZP02Y10C725 (KZ2C00000792)	KZT	10.11.2008	10.11.2018	10	10,000,000,000	10,000,000,000	7.5%
KZP03Y10C723 (KZ2C00000800)	KZT	23.04.2009	23.04.2019	10	10,000,000,000	3,529,900,000	7.8%
KZP02Y05D707 (KZ2C00002863)	KZT	12.11.2014	12.11.2019	4	60,000,000,000	59,889,163,000	8.4%
KZP03Y07D701 (KZ2C00003069)	KZT	14.01.2015	14.01.2022	7	100,000,000,000	94,176,511,000	8.75%
KZP01Y10F076 (KZ2C00003457)	KZT	21.10.2015	21.10.2025	10	200,000,000,000	101,143,563,000	9.5%
XS0625516157/ US48668AAA79	USD	11.05.2011	11.05.2018	7	300,000,000	300,000,000	8.5%
XS0234398245	USD	09.11.2005	09.11.2049	termless	100,000,000	100,000,000	7.5%

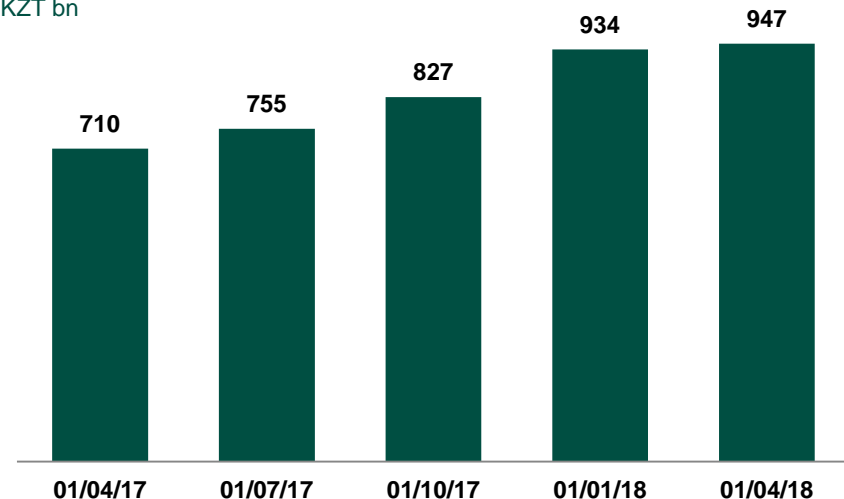
Amounts Due to Credit Institutions

KZT bn



Equity

KZT bn

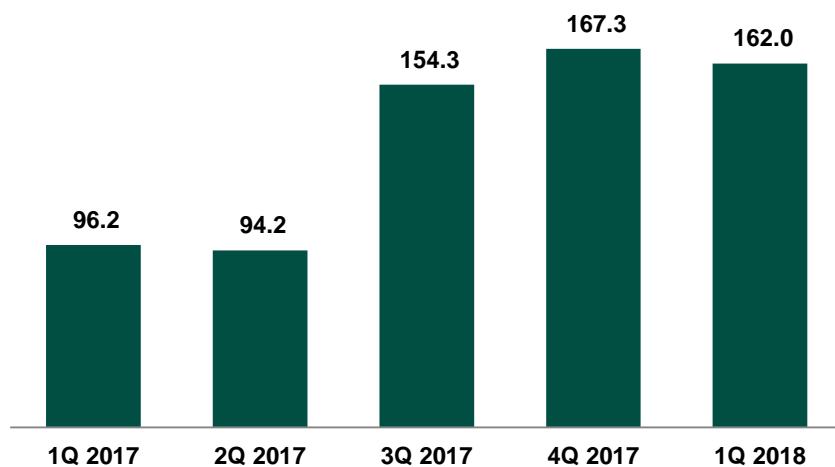


Financial Overview of Halyk Bank



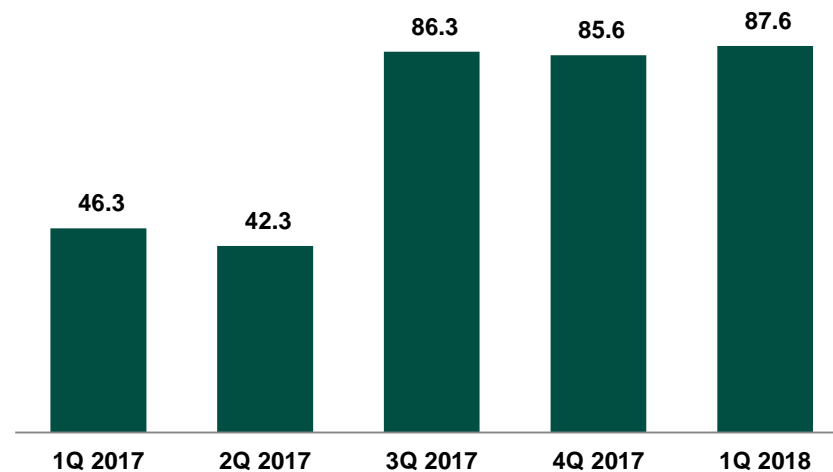
Interest Income

KZT bn



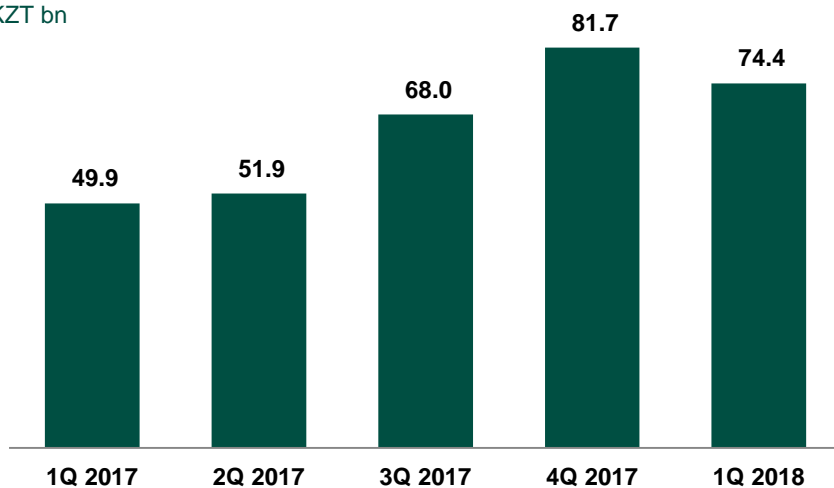
Interest Expense

KZT bn



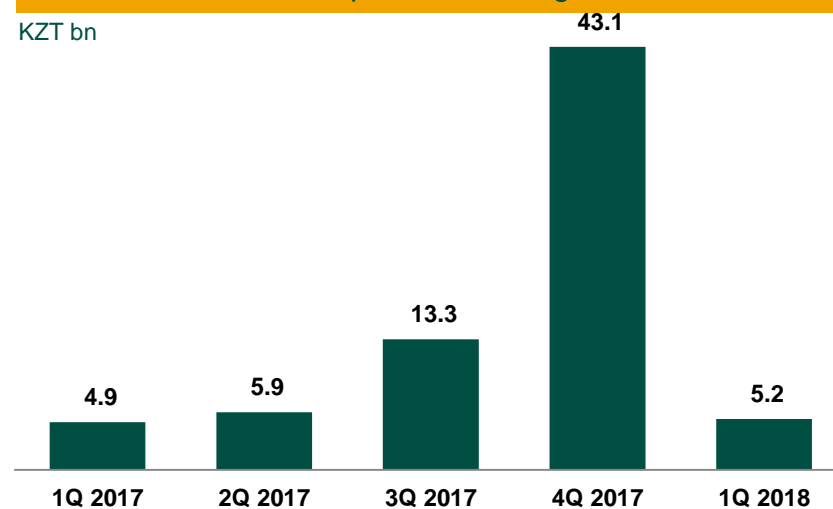
Net Interest Income before Impairment Charge

KZT bn



Impairment Charge

KZT bn

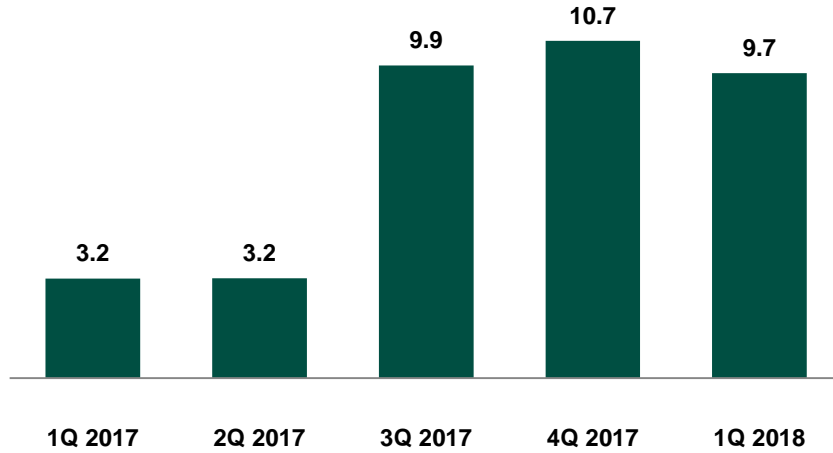


Financial Overview of Halyk Bank



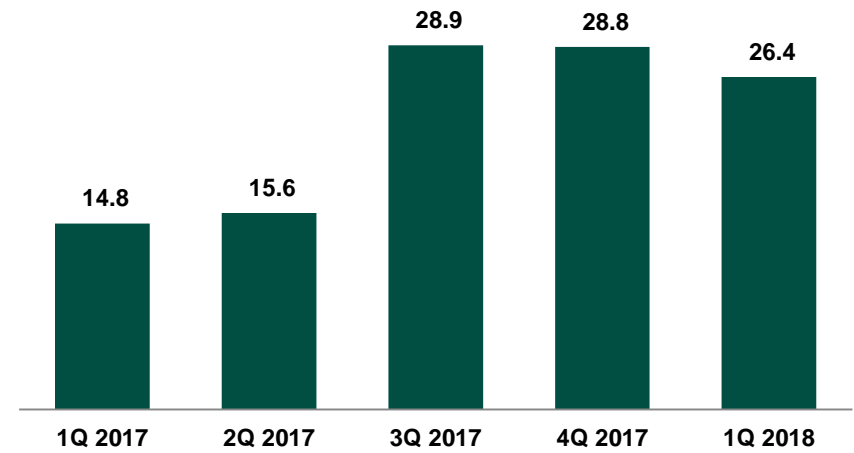
Fee and Commission Expense

KZT bn



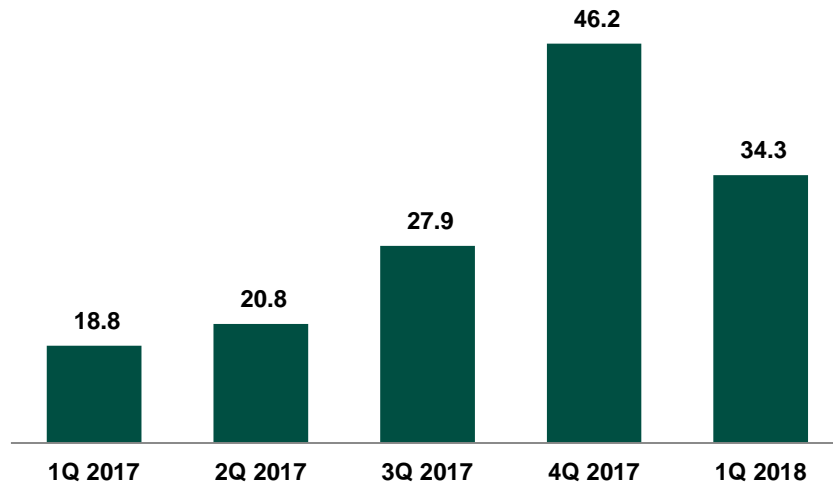
Fee and Commission Income from Transactional Banking

KZT bn

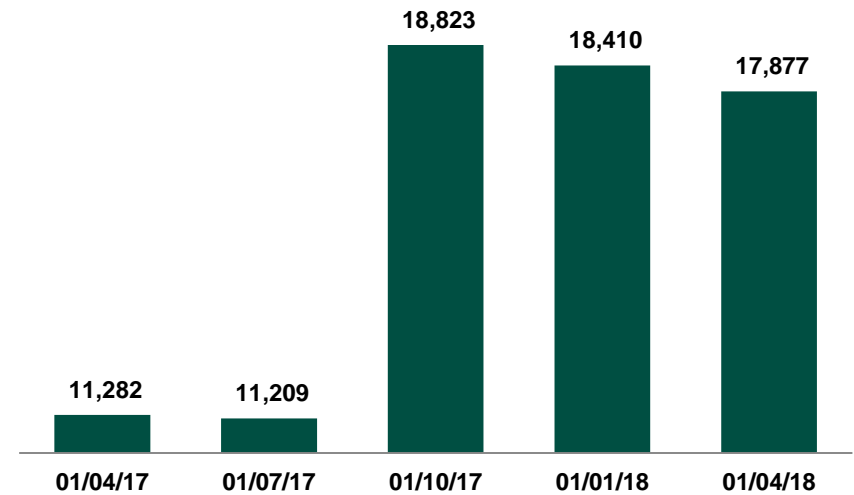


Operating Expenses

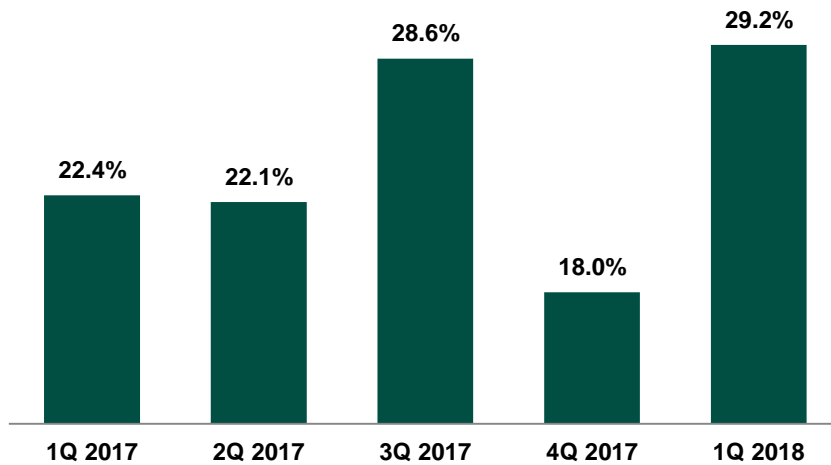
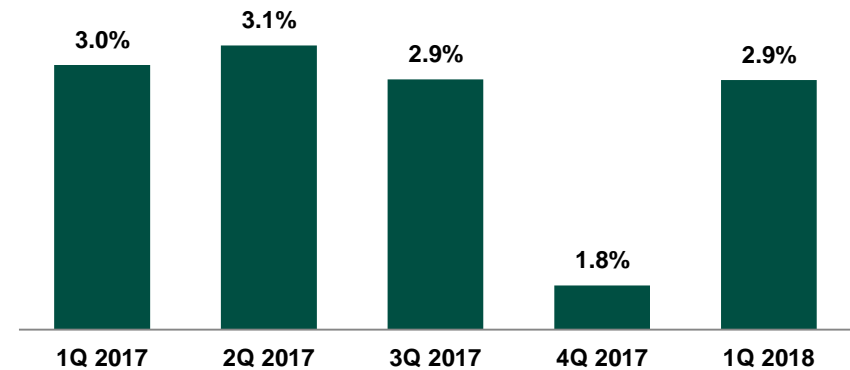
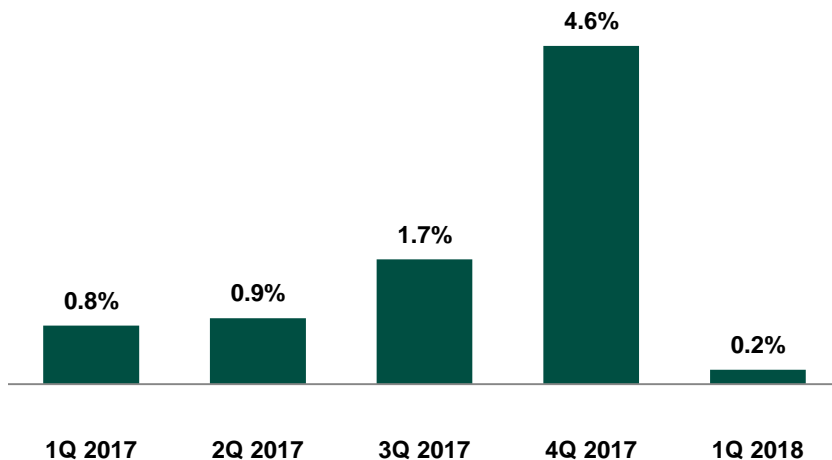
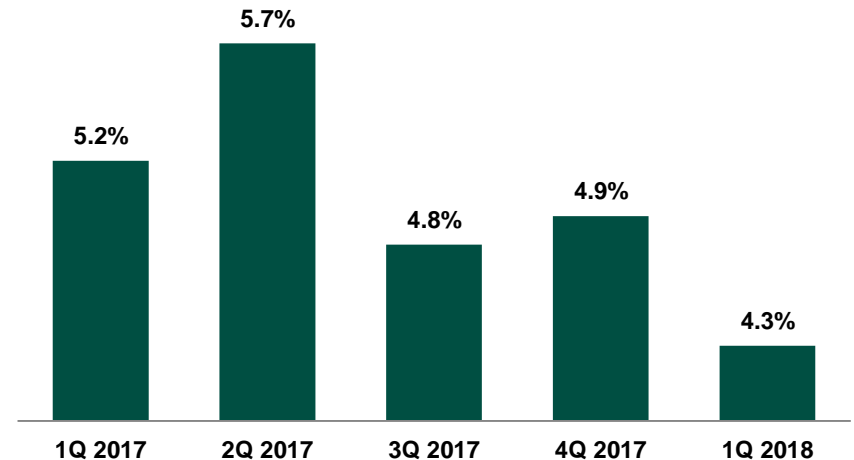
KZT bn



FTE (Full Time Employees)



Financial Overview of Halyk Bank

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

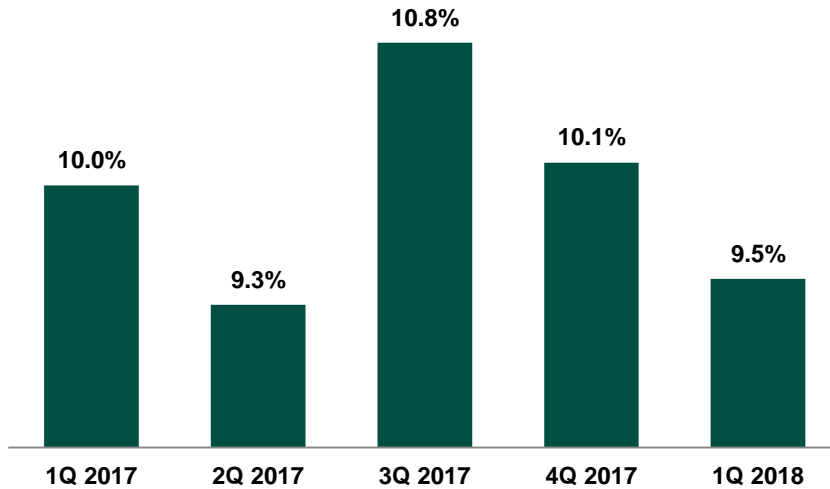
⁽¹⁾ annualised

Source: Halyk Bank's Consolidated Financial Statements

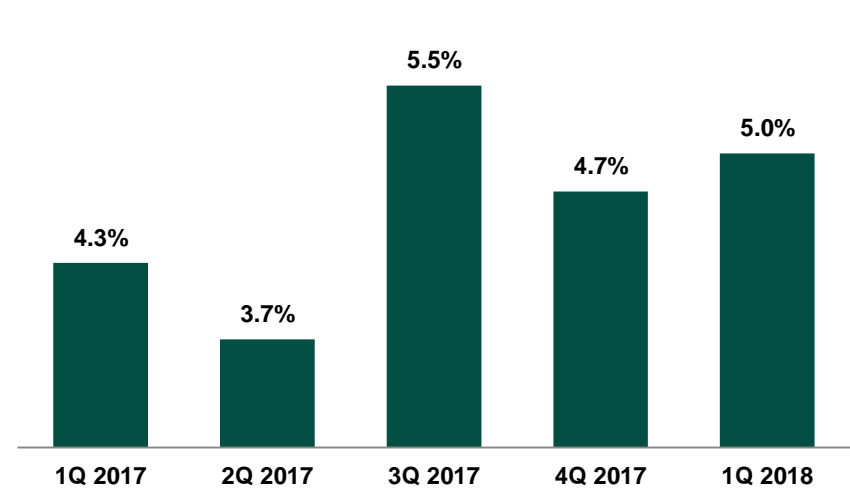
Financial Overview of Halyk Bank



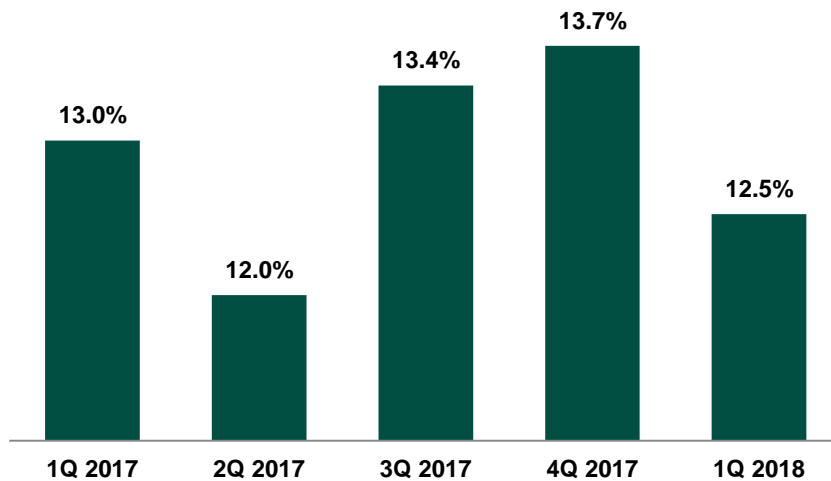
Average Interest Rates on Interest-Earning Assets ⁽¹⁾



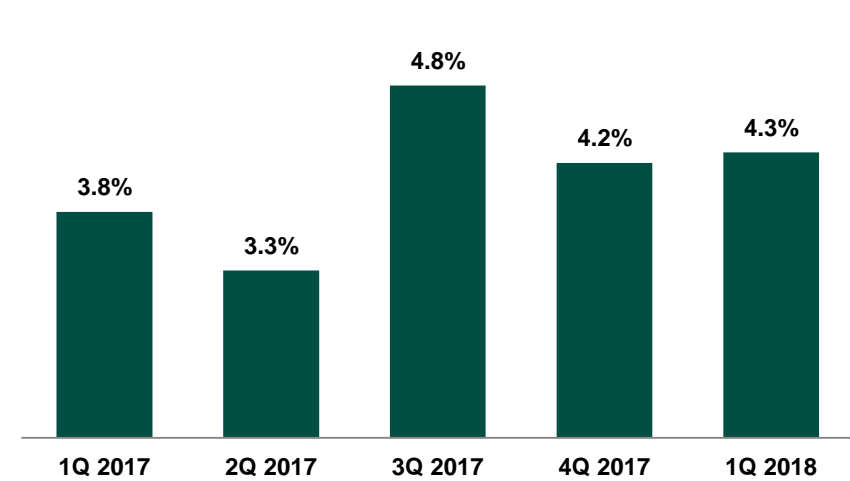
Average Interest Rates on Interest-Bearing Liabilities ⁽¹⁾



Average Interest Rates on Loans ⁽¹⁾



Average Interest Rates on Deposits ⁽¹⁾



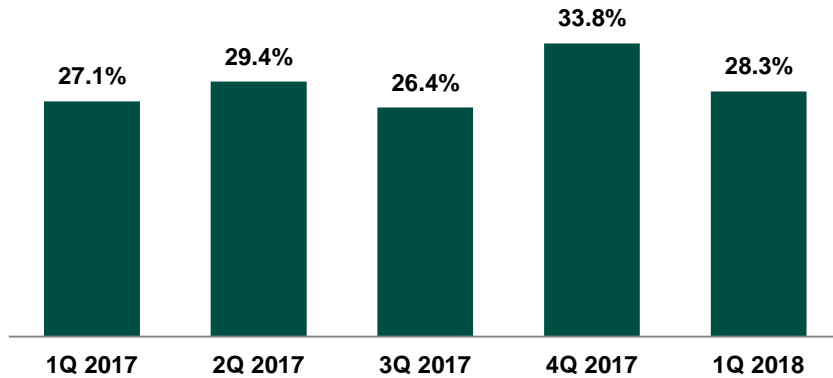
⁽¹⁾ annualised

Source: Halyk Bank's Consolidated Financial Statements

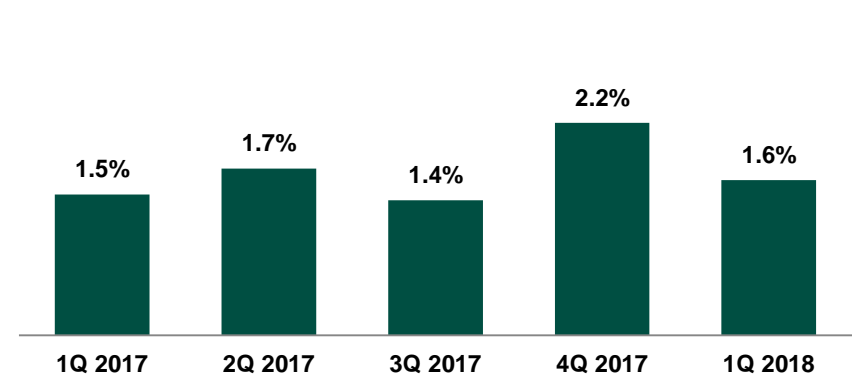


Financial Overview of Halyk Bank

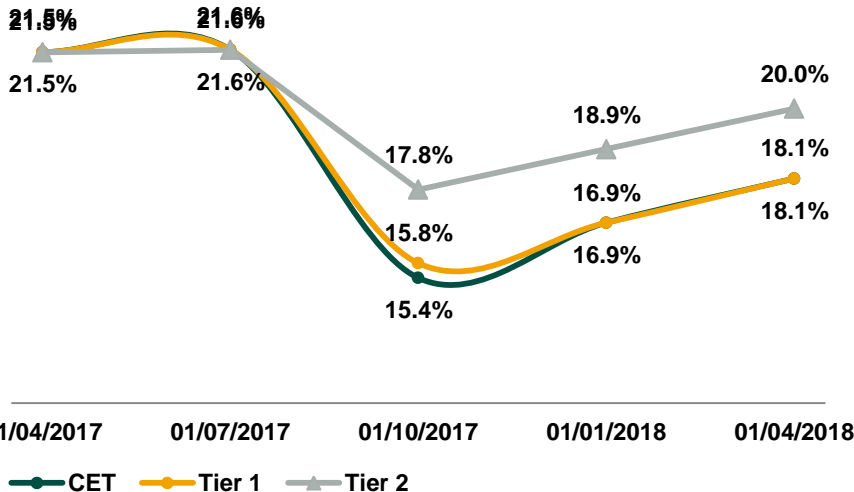
Cost-to-Income



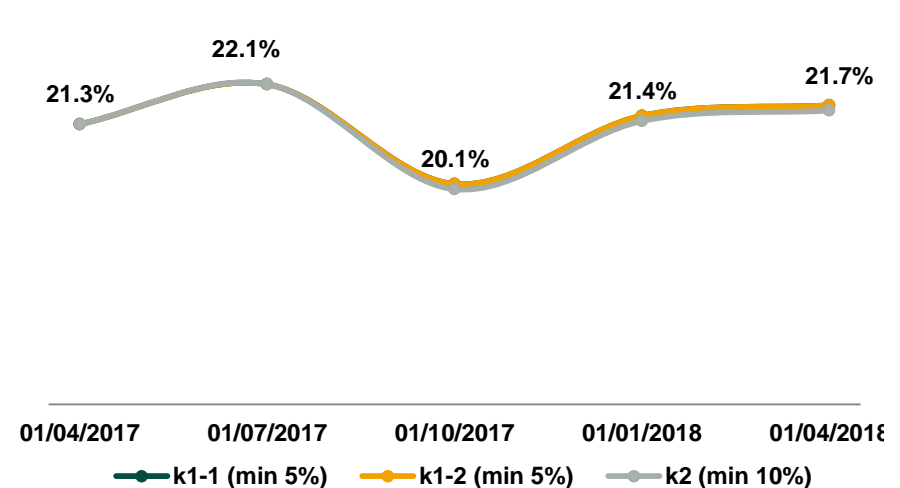
Cost-to-Average Assets ⁽¹⁾



Capital Adequacy Ratios, consolidated⁽²⁾



Capital Adequacy Ratios of Halyk, Bank only⁽¹⁾



⁽¹⁾ Annualised

⁽²⁾ starting from 1 January 2016, the Bank calculates its capital (both consolidated and unconsolidated) taking into account the principals, methods and coefficients employed by Basel III Committee.

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