



Kazakhstan's Leading Retail Bank

Financial Results Presentation

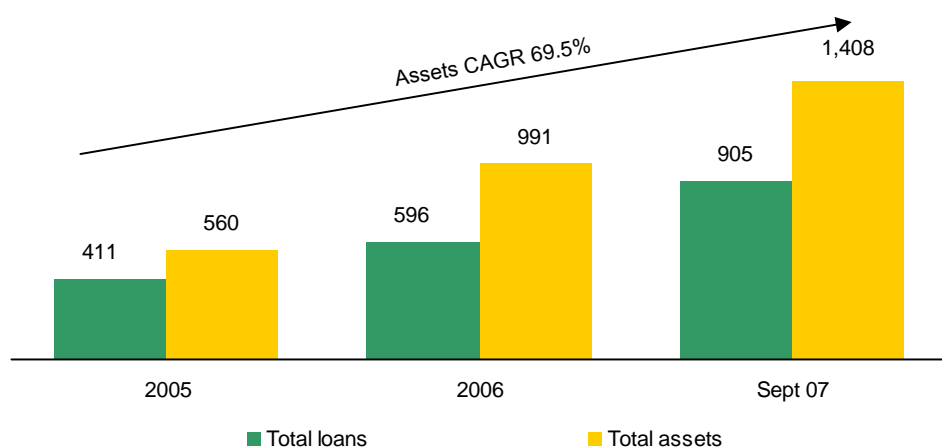
For the nine months ended 30 September 2007

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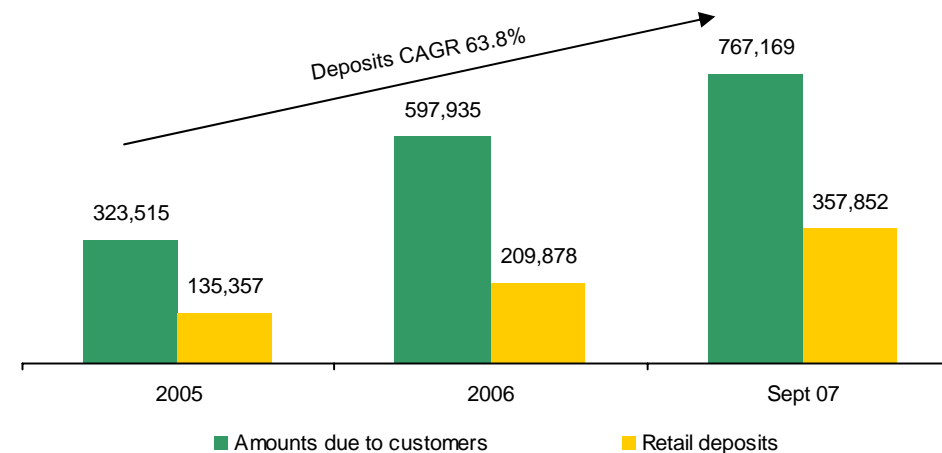
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Overview: Key Performance Indicators

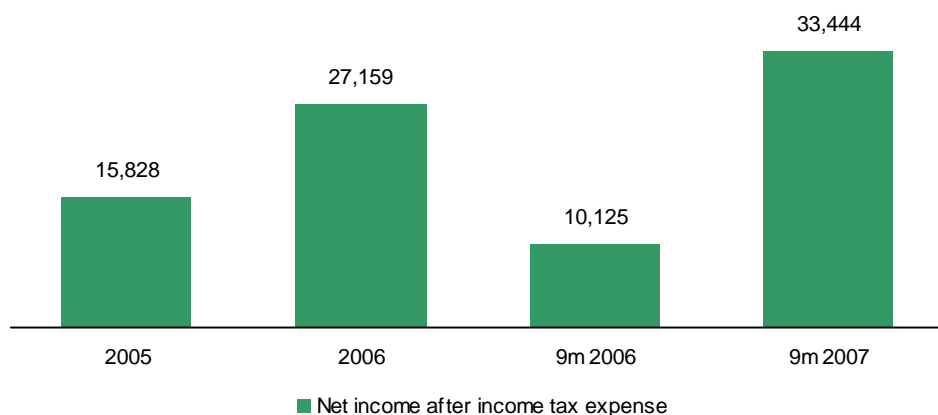
Asset Growth Dynamics (KZT bln)



Customer Deposits (KZT mln)



Net Income Development (KZT mln)

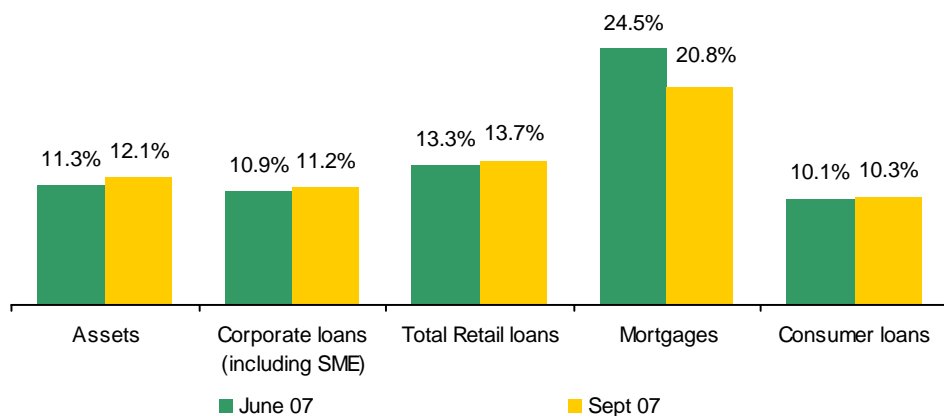


Comments

- Previous FY2007 net income guideline of KZT 40 bln likely to be exceeded
- Halyk is clear beneficiary in deposit market in Q3 2007, improving market share in retail deposits to 25%
- Loan growth of 16% and total assets growth of 9% in Q3 2007 exceed overall industry growth of 8% and 3% respectively
- Selective approach to financing package offered by the Government and National Bank of Kazakhstan

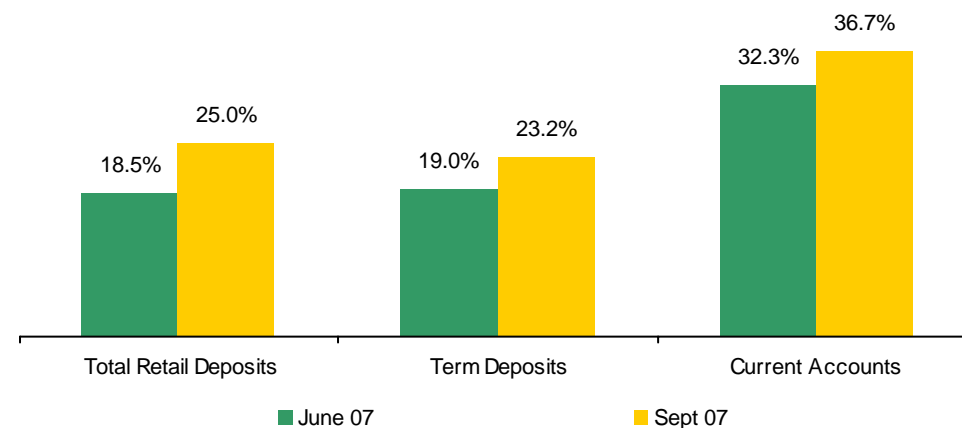
Market Shares Development

Market Share Trends



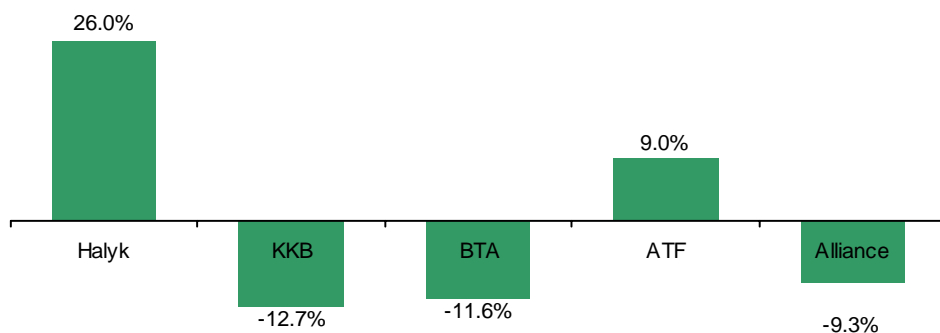
Source: FMSA statistics, Company data

Retail Deposits Market Shares



Source: FMSA statistics, Company data

Total Deposits* Growth June 07 – Sept 07



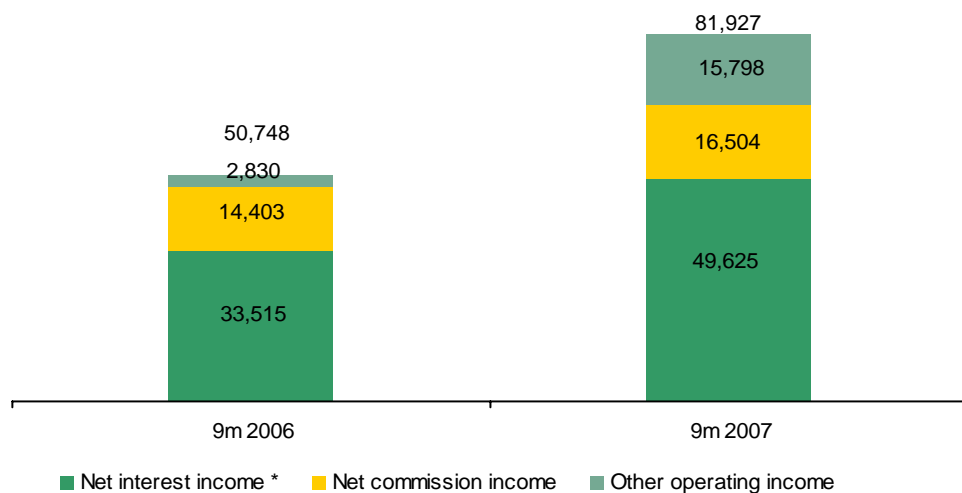
*Excluding SPV deposits
Source: Company data

Comments

- Significant pick up in market share across number of indicators
- Growth in retail loan portfolio continue to be focused on salary backed and secured consumer loans
- Total deposits grew by 26% in Q3 outperforming first six month 2007 growth rate of 20%

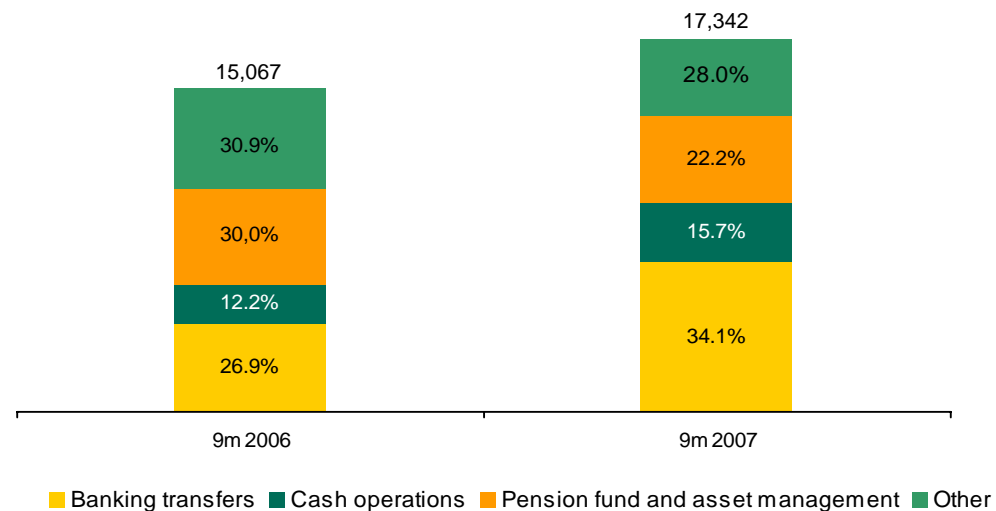
Income Growth and Profitability

Operating Income (KZT mln)

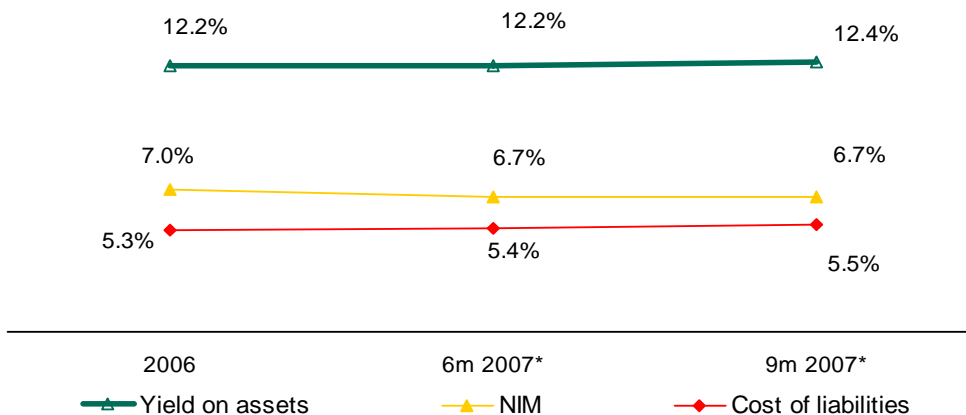


* Before loan loss impairment.

Fees and Commissions (KZT mln)



NIM and Yield on Assets



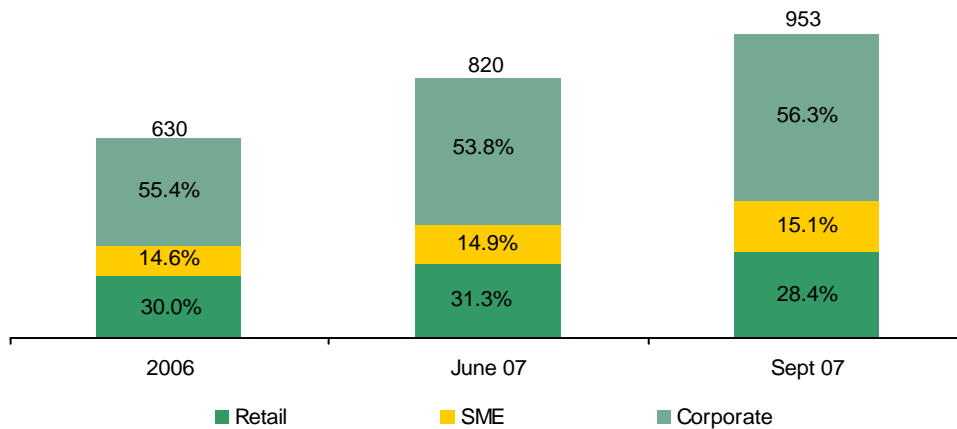
* Annualised

Comments

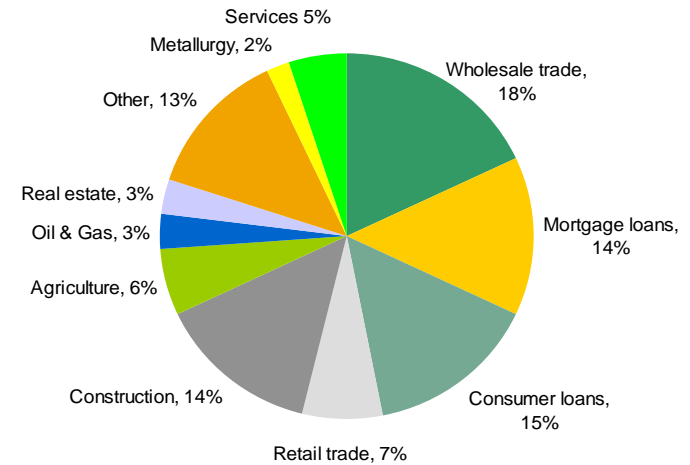
- Operating income grew by 71% in 9m 2007 in comparison with 9m 2006
- Growth of pension fund fees slowed down in Q3 in line with overall industry slowdown
- Nevertheless, Halyk Pension Fund's nominal income ratio of 10.55% during Sept 06 – Sept 07 is above industry average ratio of 8.83%
- **RoAE strong at 38.6%, RoAA strong at 3.9% in nine months of 2007 on the back of strong assets growth**

Loan Portfolio Development

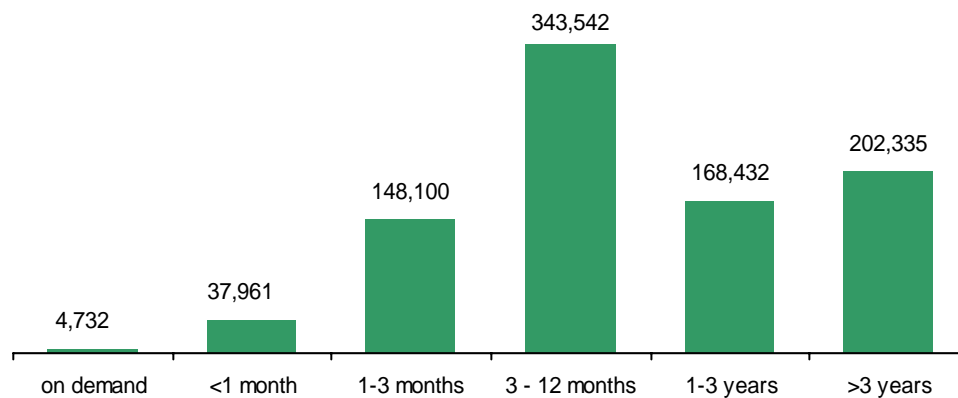
Loan Portfolio Growth (KZT bln)



Industry Composition, Sept 07



Loan Portfolio: Maturity Profile (KZT mln), Sept 07

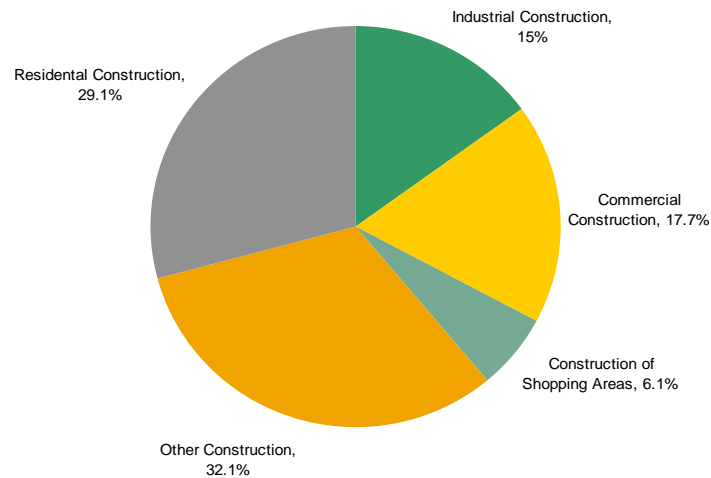


Comments

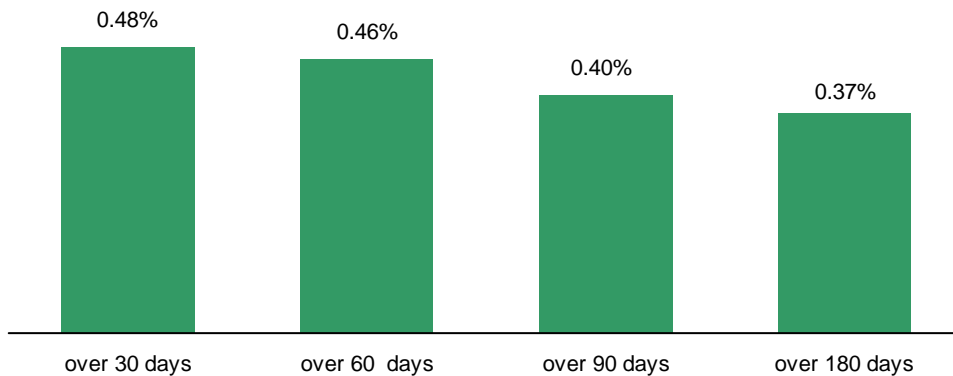
- Fastest growing loan segments in Q3: SME (25%) and consumer loans (39%)
- Portfolio composition turning in favor of less concentrated, higher yielding SME and consumer loans
- Top 20 exposures accounted for 24% of gross loans as at 30 September 2007
- Share of KZT denominated loans increased to 66% in Sept 07 from 54% in June 07

Construction Portfolio

Construction Portfolio Composition, Sept 07



Construction NPLs, Sept 07



Projects Completed or Near Completion

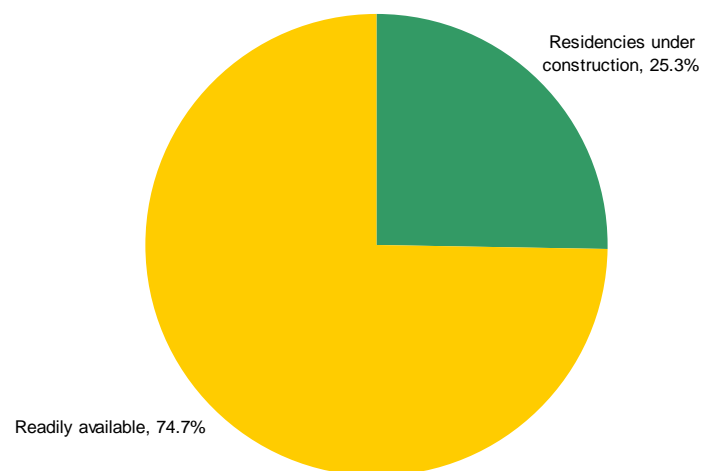
- Three major projects for total loan amount of approximately KZT 13.4 bln (or 10% of construction portfolio) are already completed and in revenue generating mode: shopping center in City of Novosibirsk, Russia; transportation and warehousing center Paragon in Almaty, concrete production plant MVT in Almaty
- Construction portfolio also includes two major companies in oil & gas servicing industry with aggregate amount of loan exposure KZT 14.1 bln (or 10.4% of construction portfolio)

Comments

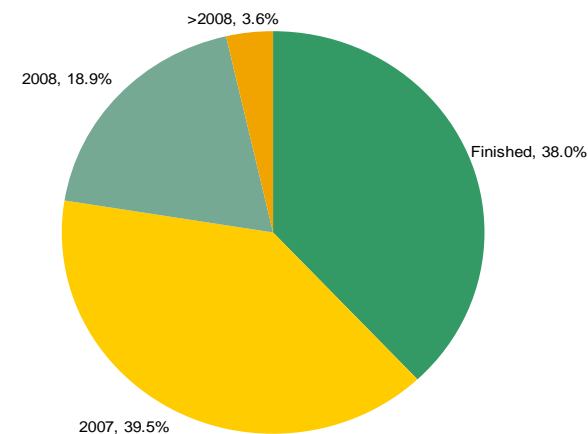
- Average completion rate of construction portfolio is about 54% with construction work on most of the projects are to be completed by the end of 2008
- Portfolio average profit margin on the commercial construction projects is 54%, residential construction 124% in current market price environment.
- Bank's participation in commercial construction projects is 73% on average
- All construction projects of our clients are in progress and continue to be financed by Halyk Bank

Mortgage Portfolio

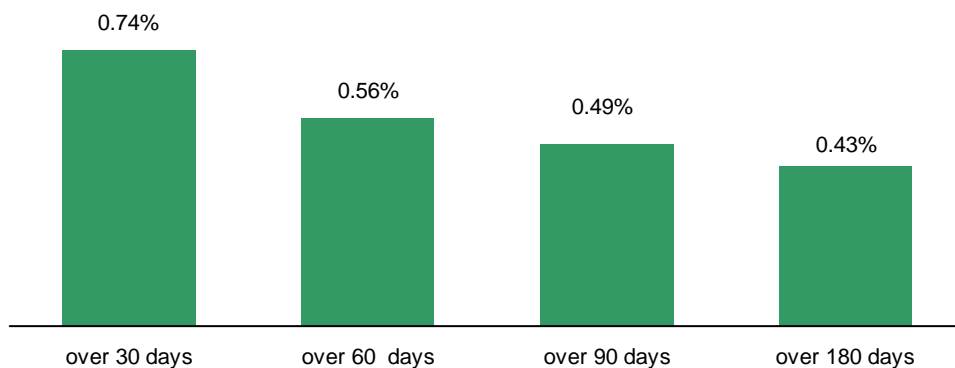
Residencies under Construction vs. Readily Available



Residencies under Construction by Year of Completion



Mortgage NPLs, Sept 07

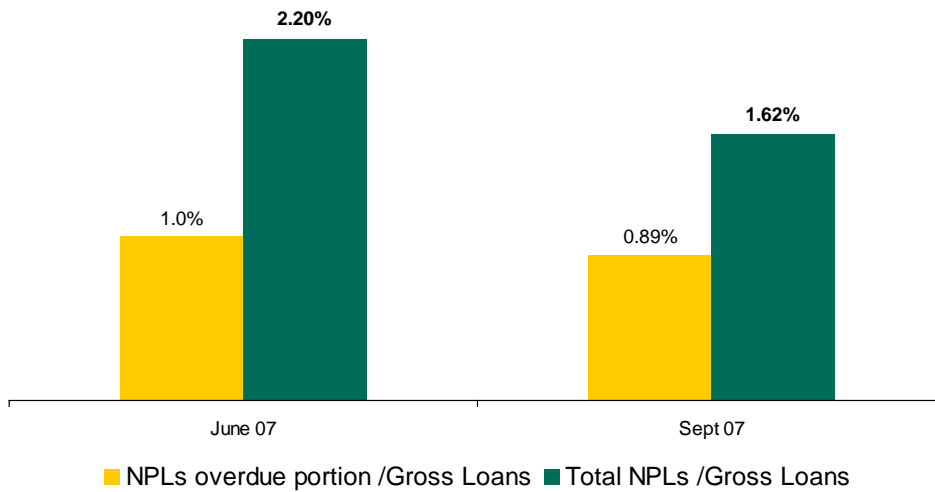


Comments

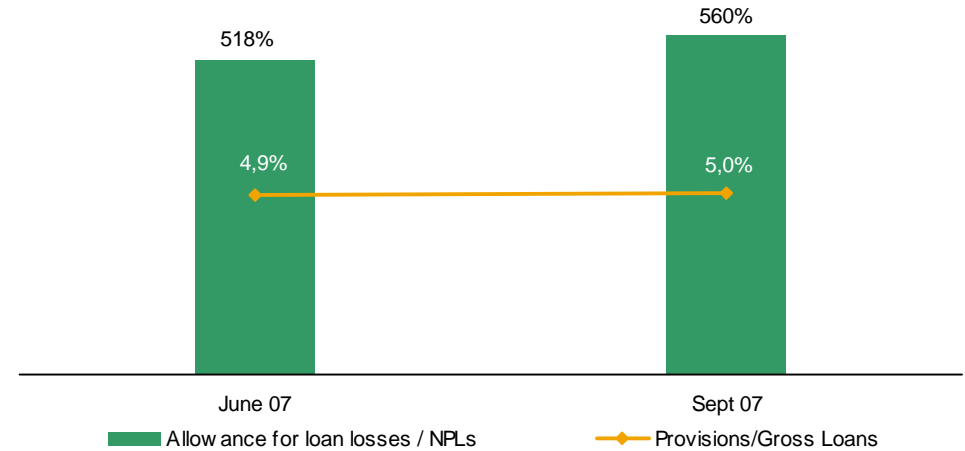
- More than 77% of construction in progress is either already finished or will be completed by the year end
- Mortgage Lights program (more than 80% of mortgage portfolio): minimal level of cash deposit increased to 20% of loan amount
- Maximum LTV reduced from 87% to 83% with portfolio average LTV of around 75% with downward movement trend
- Cash deposits account for 19.1% of aggregate collateral value under the mortgage portfolio

Loan Quality and Provisioning

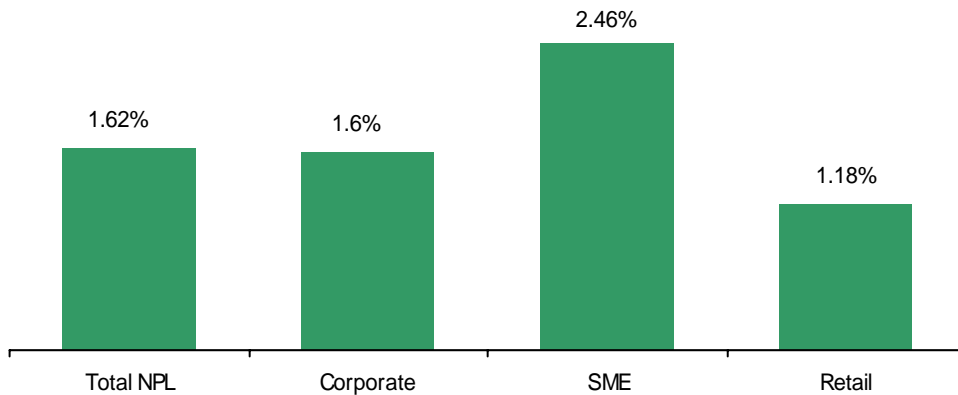
NPLs More Than 30 Days Overdue / Gross Loans



Provisions / Gross Loans, Allowances



Total NPLs by Business Segment, Sept 07



Comments

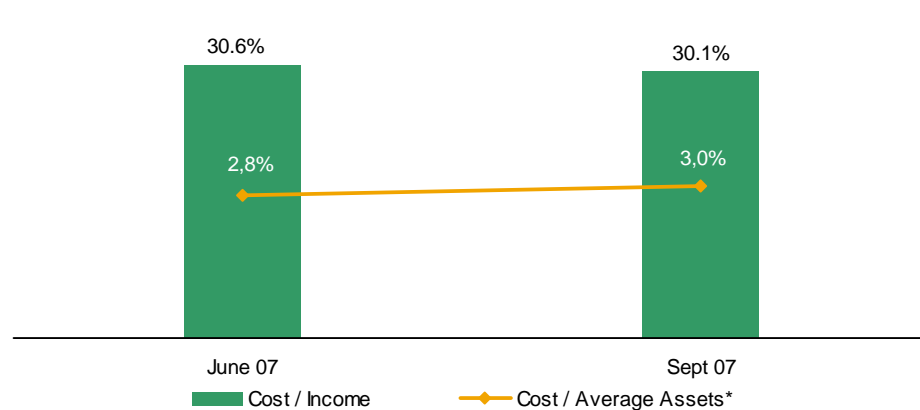
- Portfolio quality remains adequate as evidenced by ratio of NPLs to gross loans
- NPL coverage with provisions improved from 518% as at 30 June 2007 to 560% as at 30 September 2007
- Total NPL, as measured by more than 30 days interest and principal overdue, is 1.62% of gross loan portfolio

Measures Taken to Control Portfolio Quality

- ✓ Overall lending procedures tightened with credit committees instructed to follow conservative approach
- ✓ Financing on prioritized basis with focus on:
 - Short term working capital financing
 - Projects with higher equity participation from borrower
 - Construction projects nearer to completion
- ✓ Interest rates on new loan disbursements increased by 2% per annum
- ✓ Share of construction in loan portfolio not to grow further
- ✓ Mortgage lending requirements tightened with increased level of minimum cash collateral to 20% of loan amount
- ✓ Maximum LTV on new mortgages tightened from 87% to 83%
- ✓ Number of eligible construction companies under mortgage programs is limited to corporate borrowers of the Bank and top eight names

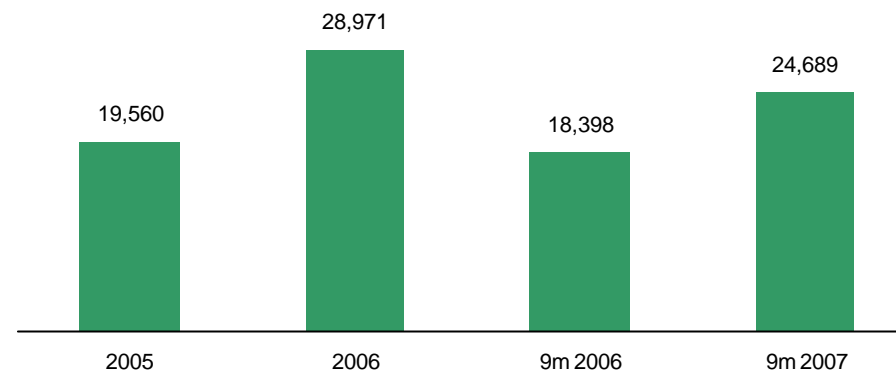
Operating Efficiency & Branch Network

Cost / Income and Cost / Assets Ratios

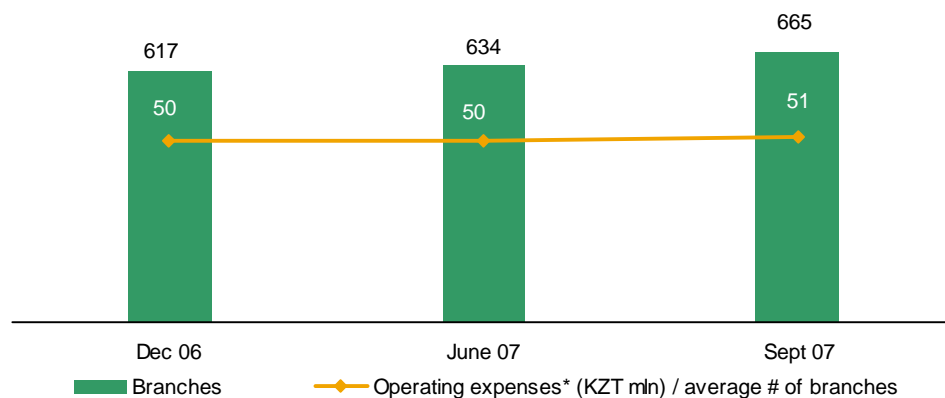


* Annualised

Operating Expenses (KZT mln)



Branch Network



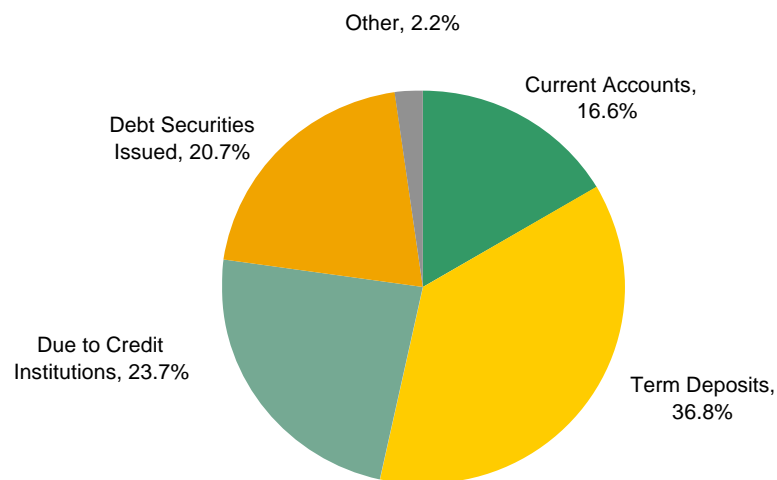
* Annualised

Comments

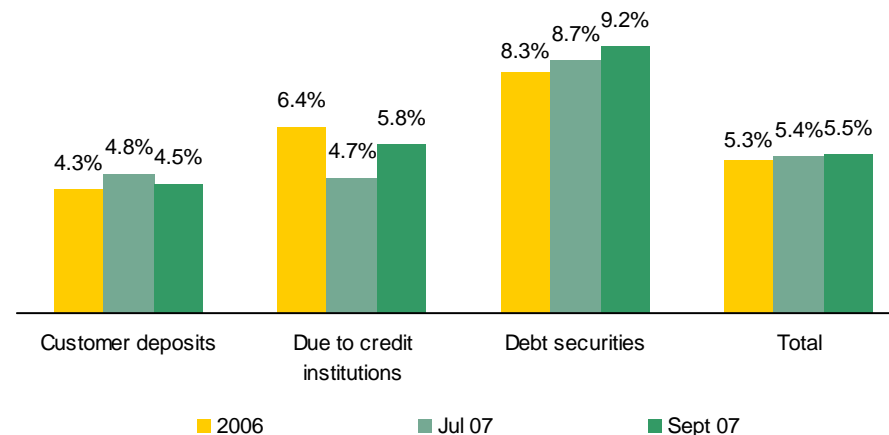
- Despite a 34% increase in operating expenses cost-to-income improved from 36.3% in nine months of 2006 to 30.1% in nine months of 2007
- No major one-off expense items expected in Q4 2007
- Branch network expansion continues to be driven by regional economic growth
- As at 30 September 2007 Halyk served its customers through 982 ATMs and 3,254 POS terminals

Funding Base

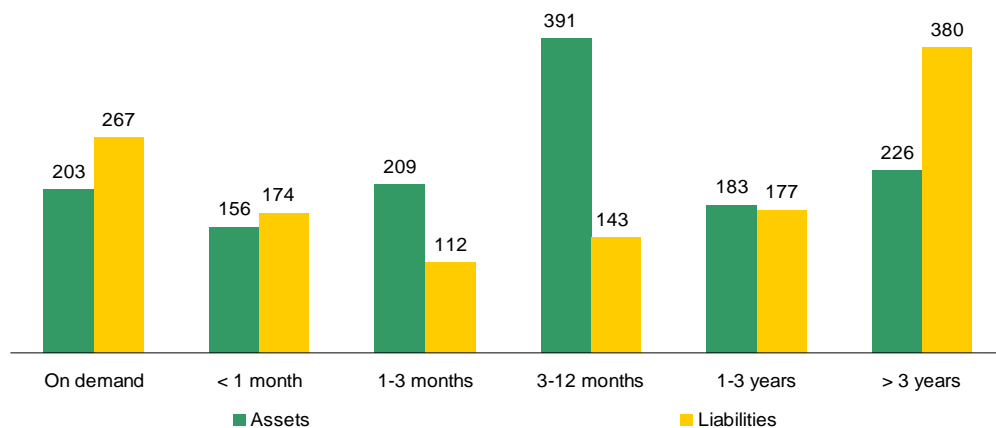
Breakdown of Funding, Sept 07



Interest Cost by Source of Funds



Maturity profile of assets and liabilities (KZT bln), Sept 07

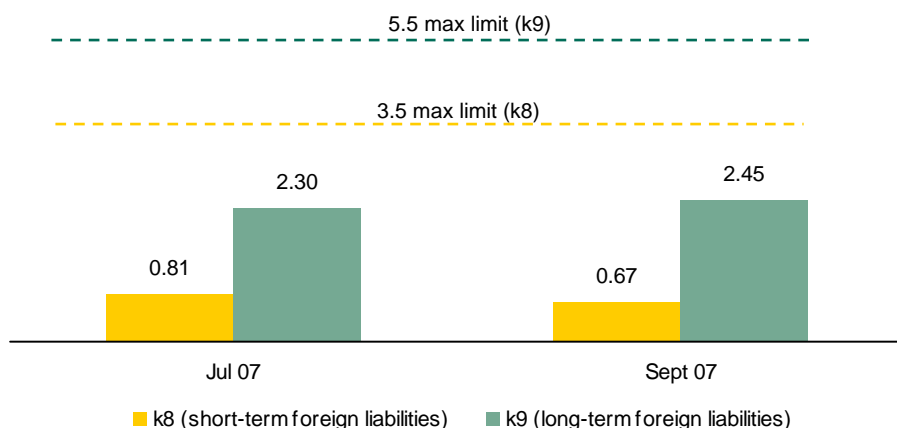


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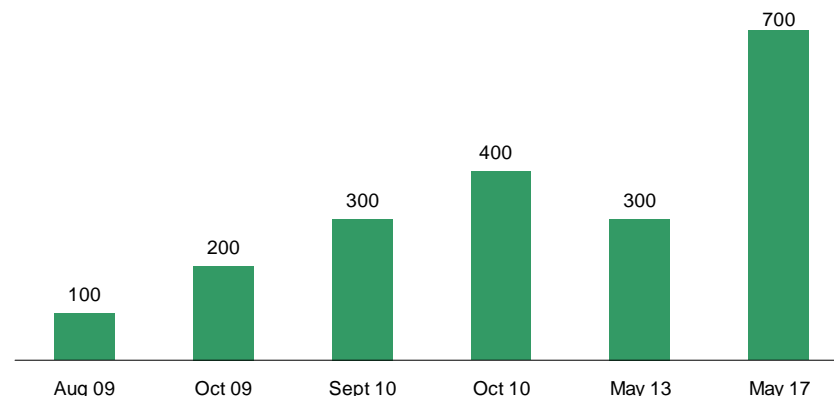
- Customer deposits remain the largest funding source having increased by 26% in Q3'07.
- Maturity profile of liabilities positively affected by issuance of \$700 mln 10-year Eurobond in May 2007, by \$400 mln 3-year syndicated loan raised in April 2007, and further improved by \$300 mln syndicated loan raised in October 2007

Funding Base (cont.)

Foreign Borrowings / Regulatory Capital



Maturity Profile of Large Ticket Foreign Borrowings (US\$ mln)



Terms of Latest Wholesale Borrowings

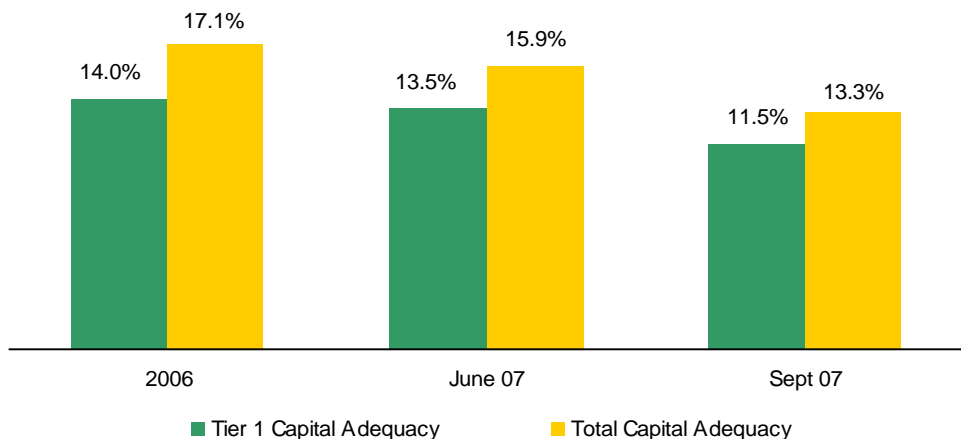
- October 2007: US\$ 300 mln 3-year syndicated loan bearing a margin of 40bps over 6m LIBOR
- October-November 2007: KZT 10 bln 10-year subordinated bonds bearing coupon of 11%

Comments

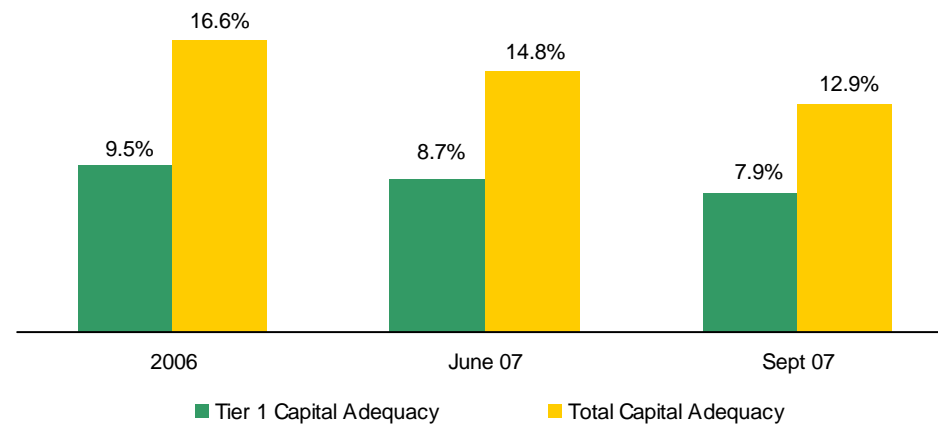
- No major wholesale debt facilities maturing within the next 12 months
- Given regulatory requirement for k8 not to exceed regulatory capital and for k9 not to exceed 8 times regulatory capital, the Bank has plenty of headroom for further increases in its foreign borrowings
- Short-term and current liquidity ratios remain strong at 0.91 and 1.37 respectively compared to FMSA minimum requirements of 0.5 and 0.3

Capitalisation

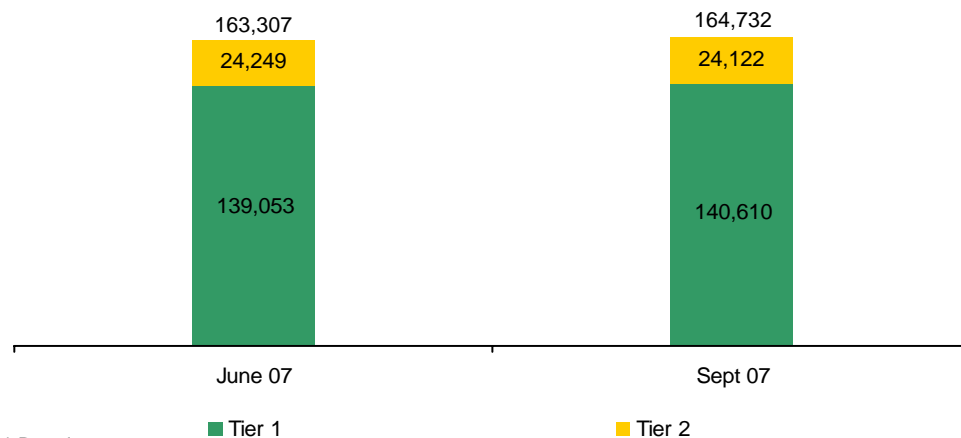
Basel



FMSA



Capital Structure* (KZT mln)



* Basel

Comments

- Capital adequacy ratios above minimum regulatory requirements of 5% for Tier 1 capital and 10% for total capital
- Focus on core capital, substantial room for further issuance of Tier 2 capital instruments
- Risk weighting and provisioning rules for mortgages and consumer loans further tightened by FMSA in August 2007

YTD October 2007 Preliminary Results (KZT mln)



	Oct 2007 (unaudited, consolidated)	Sept 2007	June 2007
Total Assets	1,443,027	1,407,998	1,286,951
Cash and Cash Equivalents	179,837	172,744	190,167
Total Loans	955,902	905,102	780,372
Total Liabilities	1,286,338	1,255,057	1,145,794
Net Income, YTD	37,387	33,444	21,263
Total Deposits*	781,834**	749,608	583,446
Retail Deposits*	358,080**	351,668	253,537

**unaudited, unconsolidated*

***as of 15 November 2007*

Summary 3Q2007

- **Net income increased by 83% from KZT 18.3 billion for the first nine months of 2006 to KZT 33.4 billion for the first nine months of 2007**
- **Operating income increased by 71% from KZT 40.1 billion for the first nine months of 2006 to KZT 68.4 billion for the first nine months of 2007**
- **Net interest income increased by 58% from KZT 22.8 billion for the first nine months of 2006 to KZT 36.1 billion for the first nine months of 2007**
- **Net interest margin remained strong at 6.7% for the first nine months of 2007**
- **Loan-to-Deposit ratio improved from 1.28 in June 2007 to 1.18 in September 2007**
- **Net loan portfolio increased by 52% from KZT 596.2 billion as at 31 December 2006 to KZT 905.1 billion as at 30 September 2007**
- **Total assets increased by 42% from KZT 991.3 billion as at 31 December 2006 to KZT 1,408 billion as at 30 September 2007**
- **Retail deposits increased by 71% from KZT 209,878 million as at 30 June 2007 to KZT 357,852 million as at September 07**
- **Cost-to-income ratio improved from 36.3% in the first nine months of 2006 to 30.1% in the first nine months of 2007**
- **RoAE strong at 38.6%, RoAA strong at 3.9% in nine months of 2007 on the back of strong assets growth**

Speakers



Grigoriy Marchenko
CEO



Dauren Karabayev
Deputy Chairman of the Board

Disclaimer

Representatives of JSC Halyk Bank (the "Bank") will be conducting a call (the "call") with equity and bond investors on 19 November 2007. During the course of the call, the Bank will discuss unaudited consolidated results of operations as of and for the nine month period ended 30 September 2007, some details of which are contained herein. The results have been reviewed by the Bank's auditors and their opinion has been attached to the results.

There may be differences between the unaudited consolidated results of operations and the audited consolidated results of operations as at and for the year ended 31 December 2007. The Bank's management is not able to estimate the impact of the differences, if any.

This document also contains forward-looking statements. Although the Bank and its subsidiaries believe that their expectations are based on reasonable assumptions, any such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those contained herein and discussed during the call.