



Kazakhstan's Leading Retail Bank

Financial Results Presentation

For the three months ended 31 March 2009

24 June 2009

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Disclaimer



Certain information contained in this presentation includes 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 disclosure unless stated otherwise.

Performance Highlights



Foreign Debt Repayment

- USD 500 mln to repay in 2009

Liquidity & Funding (Mar 2009)

- Strong liquidity position: liquid assets to total assets ratio at 29.8%
- ~57% of loans to customers have contractual maturity of less than 1 year
- Total deposits increased by 32.6% YTD
- Loan-to-Deposit ratio at 1.10 times

Capitalisation (May 2009)

- k1 - 10.4%, k2 - 16.1% (FMSA) after sale of common and preferred shares to Samruk-Kazyna

NPLs, Provisioning (Mar 2009)

- 14.6%, 14.4% (FMSA) - in line with expectations

Market Shares

- Total deposits* - 18.6% (YE 2008) ↗ 21.0% (Mar 2009)
- Retail deposits - 21.8% (YE 2008) ↗ 22.5% (Mar 2009)
- Corporate deposits* - 17.0% (YE 2008) ↗ 20.3% (Mar 2009)
- Retail current accounts - 36.2% (YE 2008) ↗ 37.7% (Mar 2009)
- Retail term deposits - 19.6% (YE 2008) ↗ 20.7% (Mar 2009)

* excluding SPV deposits

Recent Award

- “Best Eurobond Deal of the Year 2008” award from EUROMONEY

Financial Position

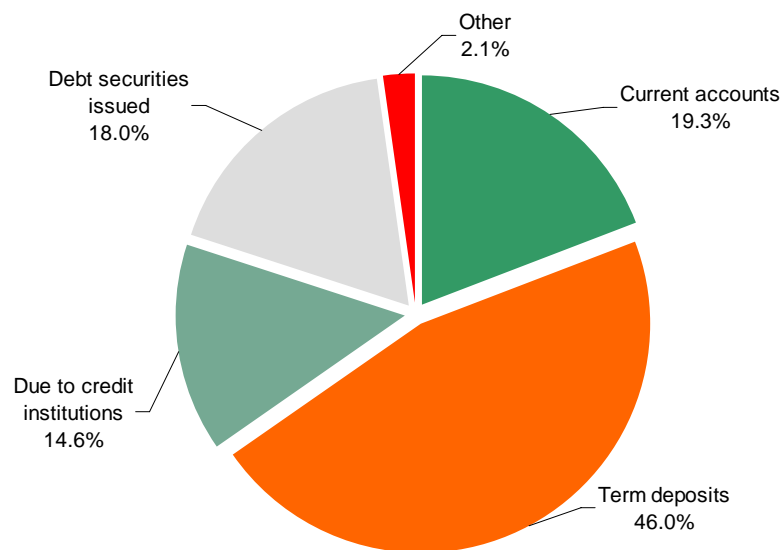


(in KZT mln)	31 Dec 2008	31 Mar 2009	YTD Change, %	YTD Change, net of devaluation effect*, %
Total Assets	1,651,349	1,982,661	20.1%	10.8%
Cash and Reserves	191,913	477,604	148.9%	117.7%
Securities Portfolio	159,477	123,739	(22.4%)	(23.1%)
Loan Portfolio	1,188,28	1,263,355	6.3%	(1.4%)
Other Assets	111,679	117,963	5.6%	5.6%
Total Liabilities	1,460,294	1,761,727	20.6%	6.2%
Total Deposits	867,392	1,149,803	32.6%	16.1%
Debt Securities	262,991	317,818	20.8%	6.8%
Amounts Due to Credit Institutions	289,608	257,460	(11.1%)	(22.1%)
Other Liabilities	40,303	36,646	(9.1%)	(9.1%)
Equity	191,055	220,934	15.6%	15.6%

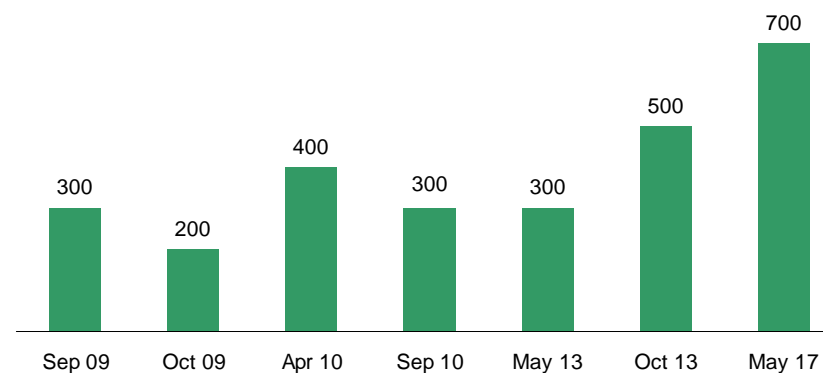
* Halyk Bank's estimation

Funding Structure

Breakdown of Funding, Mar 2009

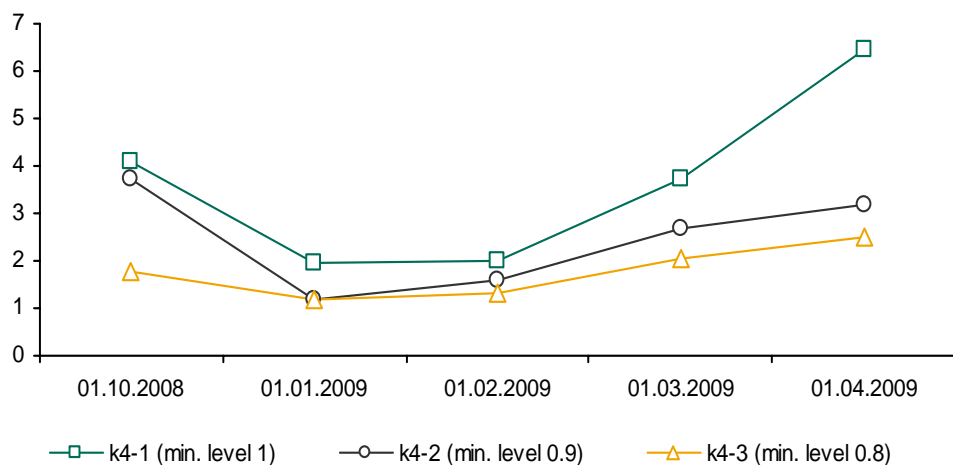


Maturity Profile of Large Ticket Foreign Borrowings (US\$ mln)

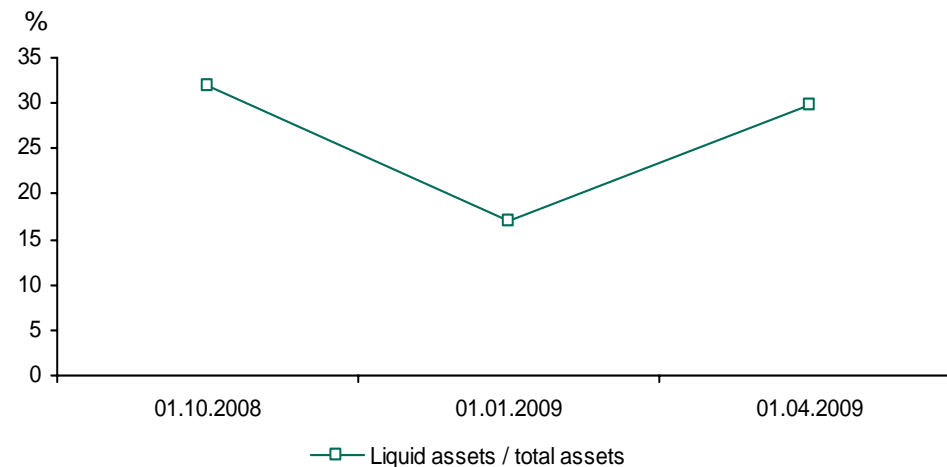


Liquidity Position

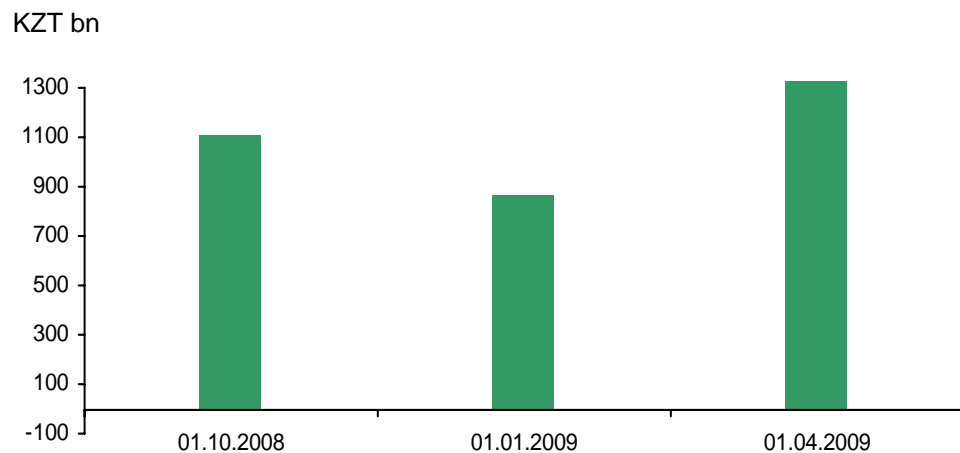
Regulatory Liquidity Ratios



Liquidity Position



Deposit Base Development

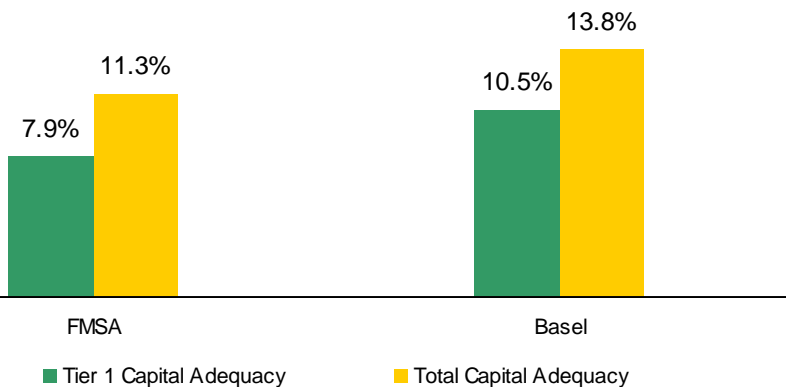


Comments

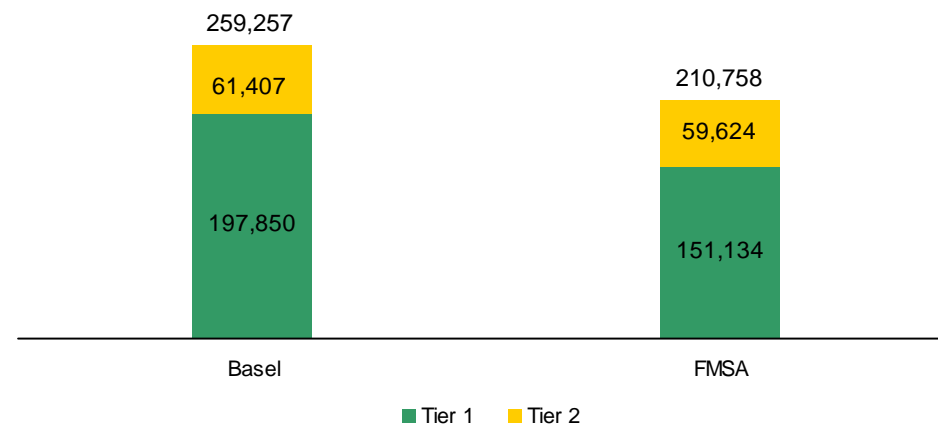
- Liquidity position improved substantially YTD
- Daily monitoring of loans, deposits, and cash position

Capitalisation

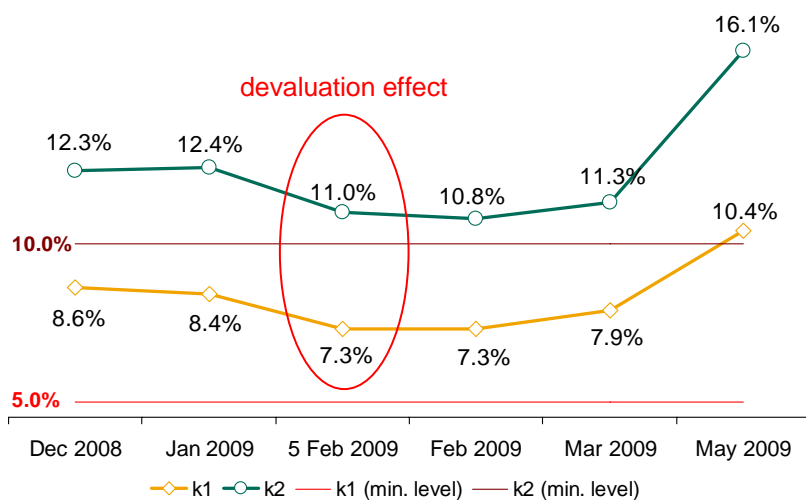
Capital Adequacy Ratios, Mar 2009



Capital Structure (KZT mln), Mar 2009



FMSA Capital Adequacy Ratios

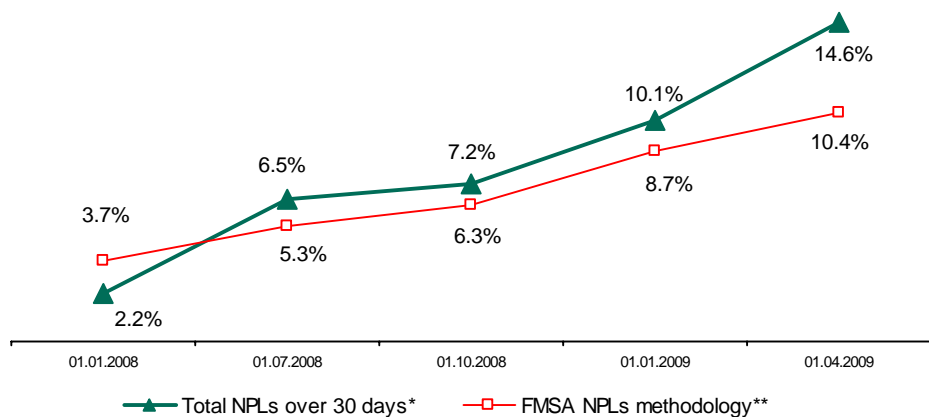


Comments

- KZT 75 bn – total amount of funds injected into capital as at 31 May 2009, including:
 - KZT 27 bn – injected as a result of sale of common shares to Samruk-Kazyna
 - KZT 33 bn – injected as a result of sale of preferred shares to Samruk-Kazyna
 - KZT 15 bn – injected as a result of sale of preferred shares on a preemptive basis before sale of preferred shares to Samruk-Kazyna

Loan Portfolio Quality

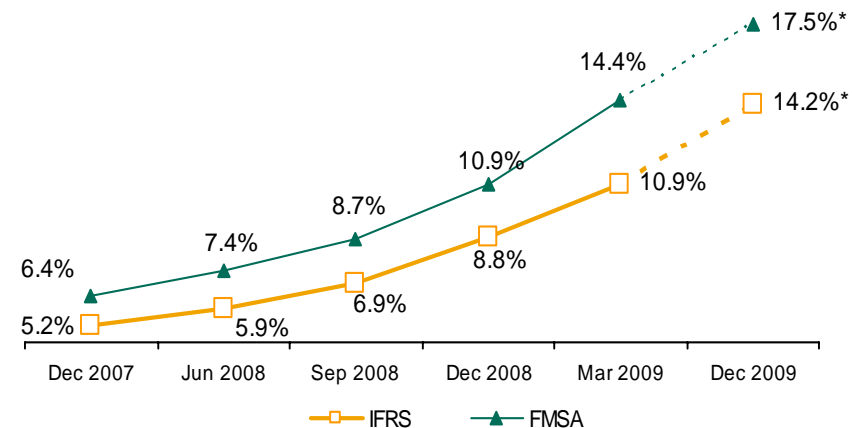
NPLs Dynamics



* Total NPLs (total principle amount of loans with principle and/or interest overdue by more than 30 days) / Gross loan portfolio, unconsolidated

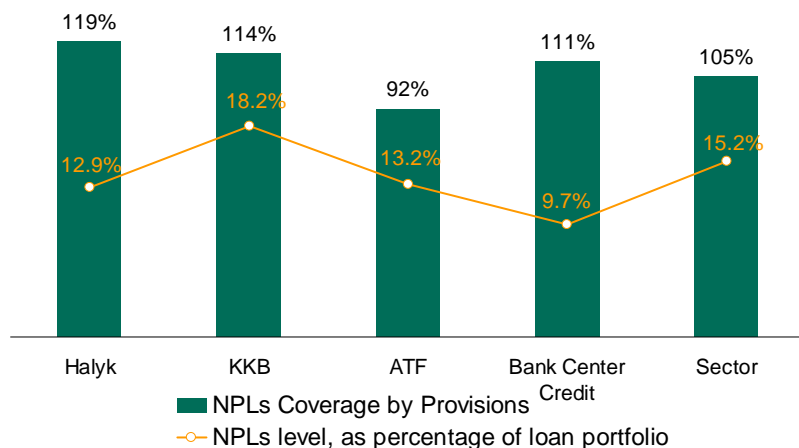
** (Loans classified as doubtful 5th category + loss category + actual provisions for homogenous loans) / Gross loan portfolio, unconsolidated

Provisions / Gross Loans



* forecast

NPLs Dynamics and Coverage Comparison, 1 May 2009



Source: FMSA Statistics

Comments

- Adequate provisioning level
- NPLs dynamics in line with expectations

Key Features of Halyk's Loan Portfolio



Construction Portfolio

Conservative Policy of Projects Approval

- Lending to construction sector in Astana stopped in spring 2006
- Lending to construction sector in Almaty stopped in spring 2007
- Share of residential construction projects in Almaty ~19%, in Astana – less than 3%
- Share of large-scale commercial construction projects in Almaty ~12%
- Breakdown of construction portfolio: industrial - 32.7%, commercial - 34%, residential - 33.3%

Completion Rates

- Residential construction – 50-60%
- Commercial construction (excl. trade centers construction) – 80-90%
- Industrial construction (excl. other construction) – 40-50%

Retail Portfolio

Consumer Loans Quality as at 31 Mar 2009

- | | <u>Halyk</u> | <u>Banking Sector</u> |
|--|--------------|-----------------------|
| ▪ Principal overdue by more than 1 day | 2.6% | 6.0% |

Loans Backed by Future Salary Payments

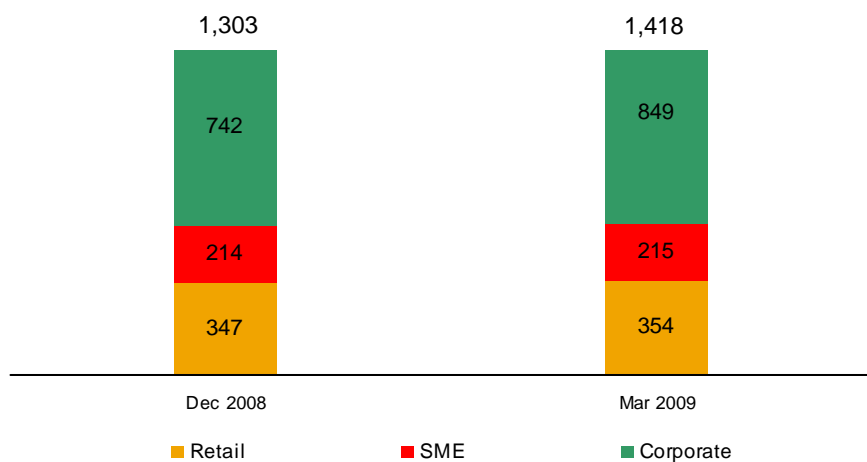
- Managable NPLs level – 9.18% (lowest in the loan portfolio)
- Secure for the Bank
- Automatic debiting of salary account

Mortgage Loans

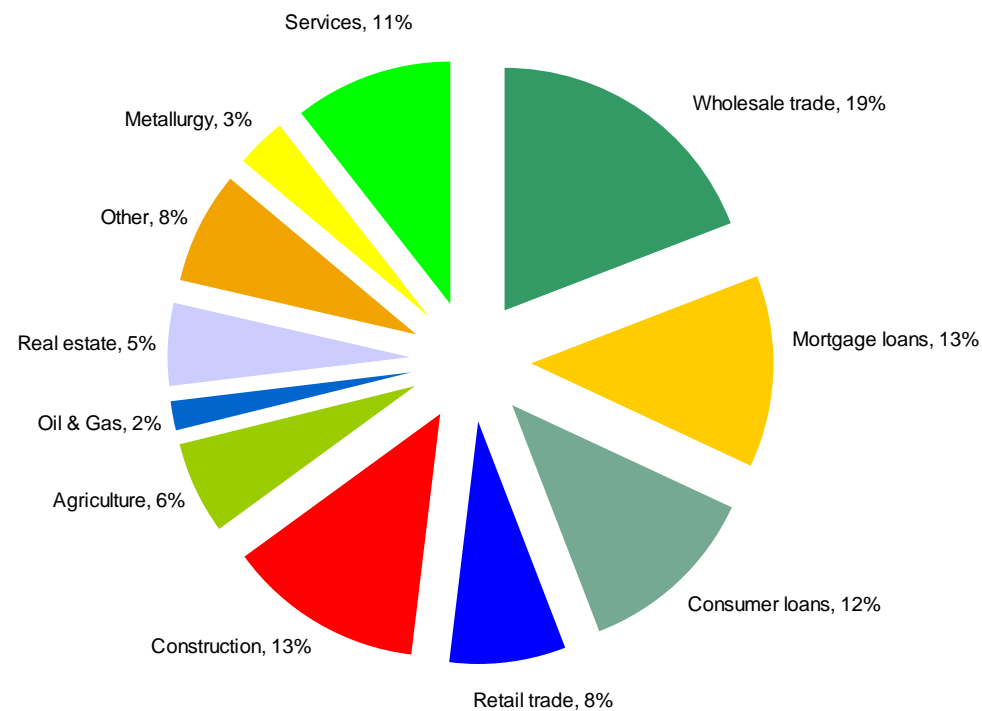
- LTV level – 65%-86%; average LTV – 74%

Loan Portfolio Structure

Loan Portfolio Growth (KZT bn)



Industry Composition, Mar 2009



Operating Performance

(in KZT mln)

	1Q 2008	1Q 2009	Change, %
Interest Income	43,219	51,236	18.5%
Interest Expense	24,115	26,880	11.5%
Net Interest Income before Impairment Charge	19,104	24,356	27.5%
Net Fees and Commissions Income, <i>of which</i>	5,845	10,289	76.0%
<i>plastic cards maintenance</i>	550	911	65.6%
<i>pension fund and asset management</i>	1,362	5,814	326.9%
<i>other</i>	4,257	4,019	(5.6%)
Other Non-Interest Income, <i>of which</i>	1,378	7,281	428.4%
<i>net gains from FX operations</i>	1,499	4,136	175.9%
<i>insurance income, net of insurance claims</i>	963	1,159	20.4%
<i>net gains/(losses) from trading securities and derivatives</i>	(2,630)	819	-
Operating Expenses	10,132	9,501	(6.2%)

Operating Efficiency & Profitability

Net Interest Margin

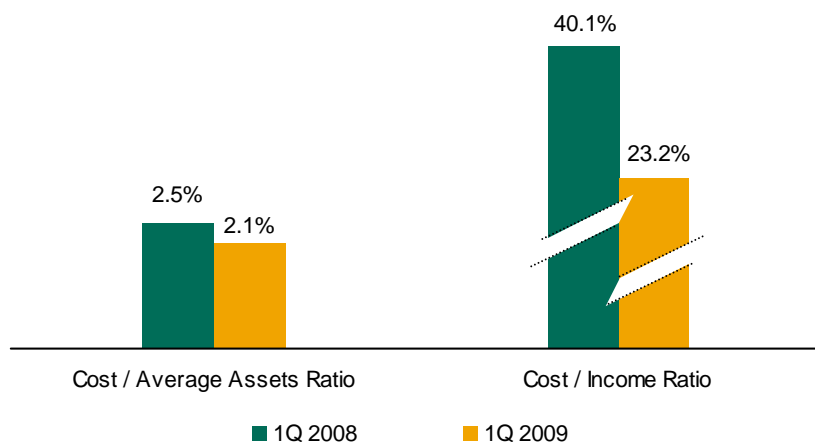


* annualised

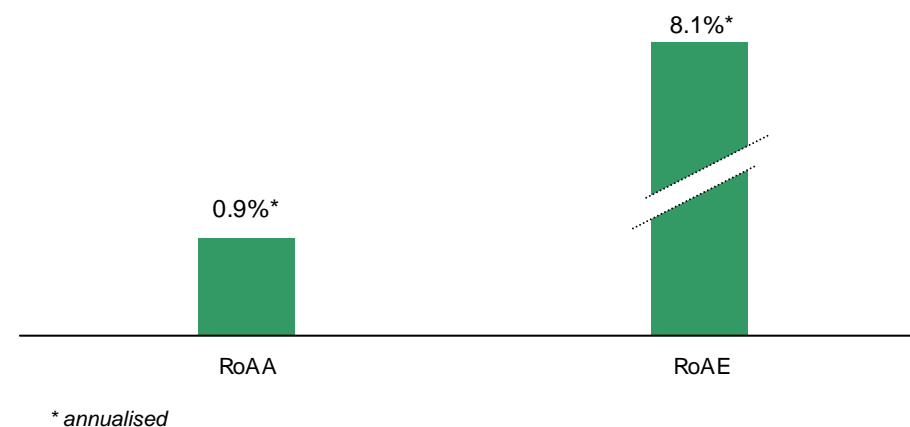
Comments

- Net interest margin is not expected to grow in 2009
- Cost cutting measures keep cost efficiency ratios on the adequate levels

Cost Efficiency



RoAA and RoAE, 1Q 2009



* annualised

Market Penetration



	Dec 2008	Mar 2009	Growth, YTD %
Internet Banking Clients	10,185	10,239	0.5%
Mobile Phone Banking Clients	280,800	293,700	4.6%
Pension Fund Clients	2,109,105	2,116,431	0.3%
Payment Card Holders	2,786,637	2,770,743	(0.6%)
Payroll Project Clients (employees of government and private entities)	2,030,879	2,004,235	(1.3%)
Outlets	670	620	(7.5%)
ATMs	1,648	1,631	(1.0%)
POS-terminals	3,711	3,732	0.6%
Information and transaction terminals (multi-kiosks)	563	562	(0.2%)

Market Shares Development



	YE 2008	1Q 2009		YE 2008	1Q 2009
Total Assets	13.6%	13.7%	Total Deposits*	18.6%	21.0%
Corporate Loans	13.4%	13.3%	Retail Deposits	21.8%	22.5%
Retail Loans	18.7%	17.8%	Corporate Deposits*	17.0%	20.3%
Mortgages	22.9%	22.4%	Retail Current Accounts	36.2%	37.7%
Consumer Loans	17.2%	17.2%	Retail Term Deposits	19.6%	20.7%
Payment Cards	48.2%	48.4%	Fees and Commission Income	17.3%	19.6%
Pension Fund (AuM)	28.4%	29.2%			

Halyk Bank's corporate deposits growth (46.4%), retail deposits growth (11.3%) and regulatory capital growth (1.4%) during 1Q 2009 was higher than that of Kazakhstan banking sector – 22.3%, 7.6%, -4.5%, respectively*

* excluding SPV deposits

Source: NBK and FMSA statistics, Halyk Bank

Cooperation with the Government

Sale of Common Shares to Samruk-Kazyna

- completed on 27 March 2009
 - subscription price – KZT 104.03 per new share
 - 259,064,909 common shares sold to Samruk-Kazyna for KZT 27 billion
 - Samruk-Kazyna owns 20.91% of total common shares placed
-

Sale of Preferred Shares to Samruk-Kazyna

- completed on 29 May 2009
 - subscription price – KZT 168.4 per new share
 - 196,232,499 preferred shares sold to Samruk-Kazyna for KZT 33 billion
-

Utilisation of Funds Provided by the Government to Support Economy

- About 94% of total funds provided by the Government to support mortgages, SME and corporate clients is utilized as at 15 June 2009

Thank You

