

Fitch Rating Agency Reaffirms Halyk Bank's Rating at “BB+”, the Highest Among Kazakhstan Second-Tier Banks Without Foreign Participation, Outlook Is Negative

On 8 April 2020, the international rating agency Fitch affirmed Halyk Bank's long-term issuer default rating (“IDR”) at “BB+” with a negative outlook. The Bank’s viability rating has also been affirmed at “bb+”, still continuing to be the highest in the banking sector of Kazakhstan.

The revision of the Bank’s rating outlook from positive to negative is arising from the recent revision of the Kazakhstan banking sector outlook to negative due to the coronavirus pandemic and a significant drop in oil prices and is happening as part of similar rating actions taken both globally and in the CIS countries.

“Confirmation of Halyk Bank’s rating at BB+ is very important for the Bank. As you know, the rating upgrade to this level has occurred about four months ago in December 2019. The last time the Bank had such rating (BB+) was in the pre-crisis period in November 2008. Since then, Halyk went through several economic cycles. Such high level of rating in the current global economic crisis and deterioration in the operating environment once again confirms the Bank’s high resistance to any shocks due to its strong market position, high and stable profitability over several economic cycles, significant capitalization and liquidity cushion, as well as the proper risk management policy and good asset structure. I would like to note that against all the odds, Halyk Bank continues implementing its digitalization strategy, which will allow to continue improving the service quality and the convenience of the Bank’s products and services,” commented Umut Shayakhmetova, CEO of Halyk Bank.

About Halyk Bank

Halyk Bank is Kazakhstan's leading financial services group, operating across a variety of segments, including retail, SME & corporate banking, insurance, leasing, brokerage and asset management. Halyk Bank has been listed on the Kazakhstan Stock Exchange since 1998, on the London Stock Exchange since 2006 and Astana International Exchange since October 2019.

In July 2017, the Bank purchased majority stake in Kazkommertsbank JSC - the second largest Bank in Kazakhstan by total assets - and merged it fully in July 2018.

With total assets of KZT 9,234.8 billion as at 31 December 2019, Halyk Bank is Kazakhstan's leading lender. The Bank has the largest customer base and broadest branch network in Kazakhstan, with 626 branches and outlets across the country. The Bank operates in Georgia, Kyrgyzstan, Russia, Tajikistan and Uzbekistan.

For more information on Halyk Bank, please visit <https://www.halykbank.kz>

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