



# **EXIMBANK KAZAKHSTAN**

## **Presentation**

**As of 1 of April 2007**

**Eximbank Kazakhstan JSC  
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## History

- July 1994** ◆ EximBank JSC was established under Decree of President of the Republic of Kazakhstan “On foundation of State Export and Import Bank of the Republic of Kazakhstan” with purpose to strengthen Government control on process of attraction and effective utilization of foreign loans guaranteed by the Republic of Kazakhstan and for expansion of export-import relations.
- Aug 1995** ◆ Merged with State Kazakhstan Development Bank
- Feb 2004** ◆ On 11 of Feb 100% of Government shares were put up for auction. The “Exim-Invest” Consortium recognized as auction winner.
- May 2004** ◆ The Bank was reorganized to Joint Stock Company according to legislation of Republic of Kazakhstan
- Aug 2004** ◆ Additionally issued 2.000.000 shares were paid by JSC “Central Asian Energy Company” (CAEC) in amount of 2.000.000.000,00 tenge. So the “CAEC” JSC became major shareholder with 86,31% of stake.
- May 2005** ◆ “CAEC” JSC acquired status of Banking Holding JSC “EXIMBANK Kazakhstan” according to permission of FSA with 72,77% of shares
- 2006** ◆ The Bank started its local bond program and in this regard listed on KASE with highest “A” listing category  
The Bank also started negotiations with Moody’s regarding acquiring of credit rating
- 2007** ◆ As of 1 of January 2007 the Bank is on 9<sup>th</sup> place among 100 most capitalized Banks in CIS, on 46 place among 1000 fast-growing Banks in CIS, on 130 place by equity and on 330 place by assets among 1000 Banks in CIS according to INTERFAX.



# Strategy of the Bank



**Increasing equity of the Bank**



**Development of international activity and inter-bank relations, trade finance, attraction of credit lines**



**Grow SME customer base and retail business by expanding presence and quality service**



**Continue to develop Information Banking Technologies**

**Strategic goal of the Bank is to become one of the most efficient full-service bank in Kazakhstan with strong competitive position and soundable name on the market**



**Geographical expansion by mean of creation of branch network**



**Diversify funding base**



**Optimize existing products and services and introduce new ones according to strategy of full-service Bank**








**Continue to develop risk management**



# Shareholders structure

## List of Shareholders with stake more than 5% as of 01.04.2007

	1. JSC "Central Asia Energy Company", Almaty	68,9%
	2. "CenterStroyEnergo" Ltd., Pavlodar	9,02%
	3. "StroyEnergoRemont-Pavlodar" Ltd.	6,84%
	4. "Stroyinservice" Ltd.	3,4%
	5. Central depository	11,05%

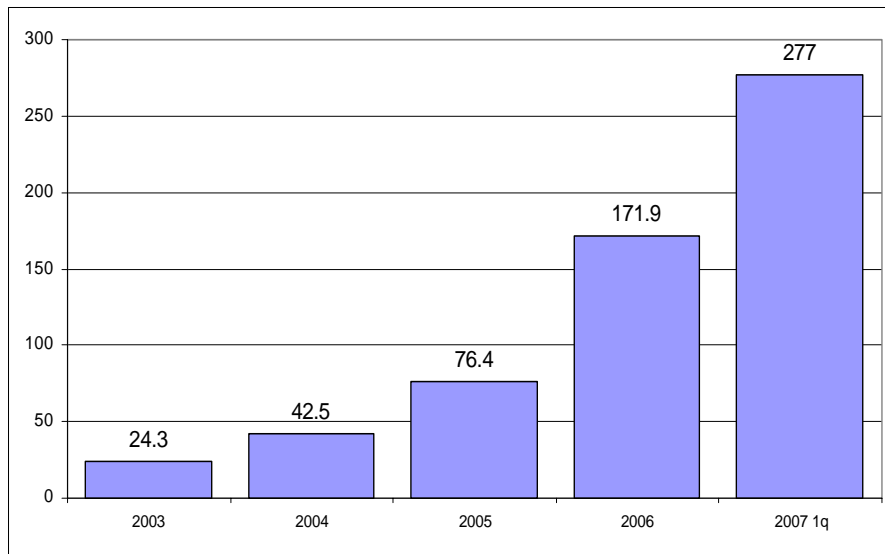
# National Distribution



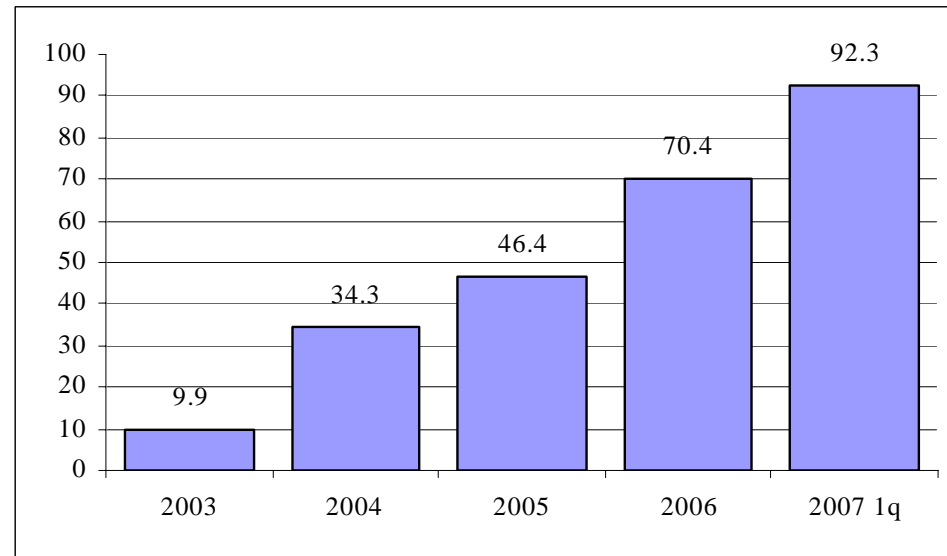
- At the moment EXIMBANK has six branches in Astana, Pavlodar, Petropavlovsk, Ust-Kamenogorsk, Kostanay and Karaganda and Head Office in Almaty
- In 2007 six new branches will appear in Aktau, Atyrau, Zhezkazgan, Balhash, Uralsk and Shymkent

# Main financial indicators, in USD mln

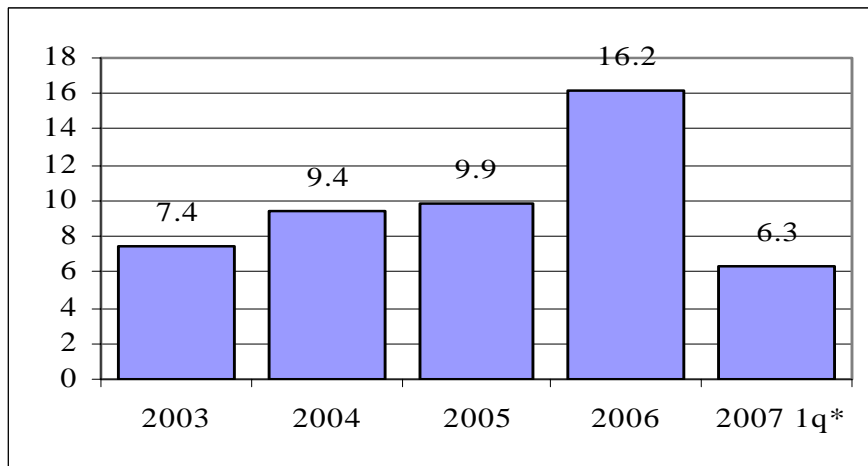
## Assets



## Equity



## Net Income



2007 1q\* - gross profit

- Assets increased for more than 120% in 2006 in compare with 2005 and for 300% in 2006 in compare with 2004
- Equity increased for more than 50% in 2006 in compare with 2005
- Net profit increased for 70% in 2006 in compare with 2005

# Domestic Bond Issue

Taking advantage of liquidity in domestic bonds market

	<b>“A” category domestic bond program</b>
<b>Category of Debt</b>	Non subordinate
<b>Total value</b>	<b>30 000 000 000 tenge</b>
<b>Nominal value</b>	100 tenge
<b>Tenor</b>	7 years
<b>Coupon rate</b>	9%
<b>Date of commencement</b>	12/11/2006
<b>Maturity</b>	12/11/2013

Total amount of initial issue of domestic bonds program is **10 000 000 000** tenge.

The bonds for the amount **8 757 000 000** tenge (87% of total initial issue) already placed.

Main investors are local Pension Funds

According to Banks' strategy the proceeds will be used for crediting Corporate business in real sector of economy and SME business.

Exchange rate: 1\$=123,75 tenge as of 01.04.07



# Foreign credit lines

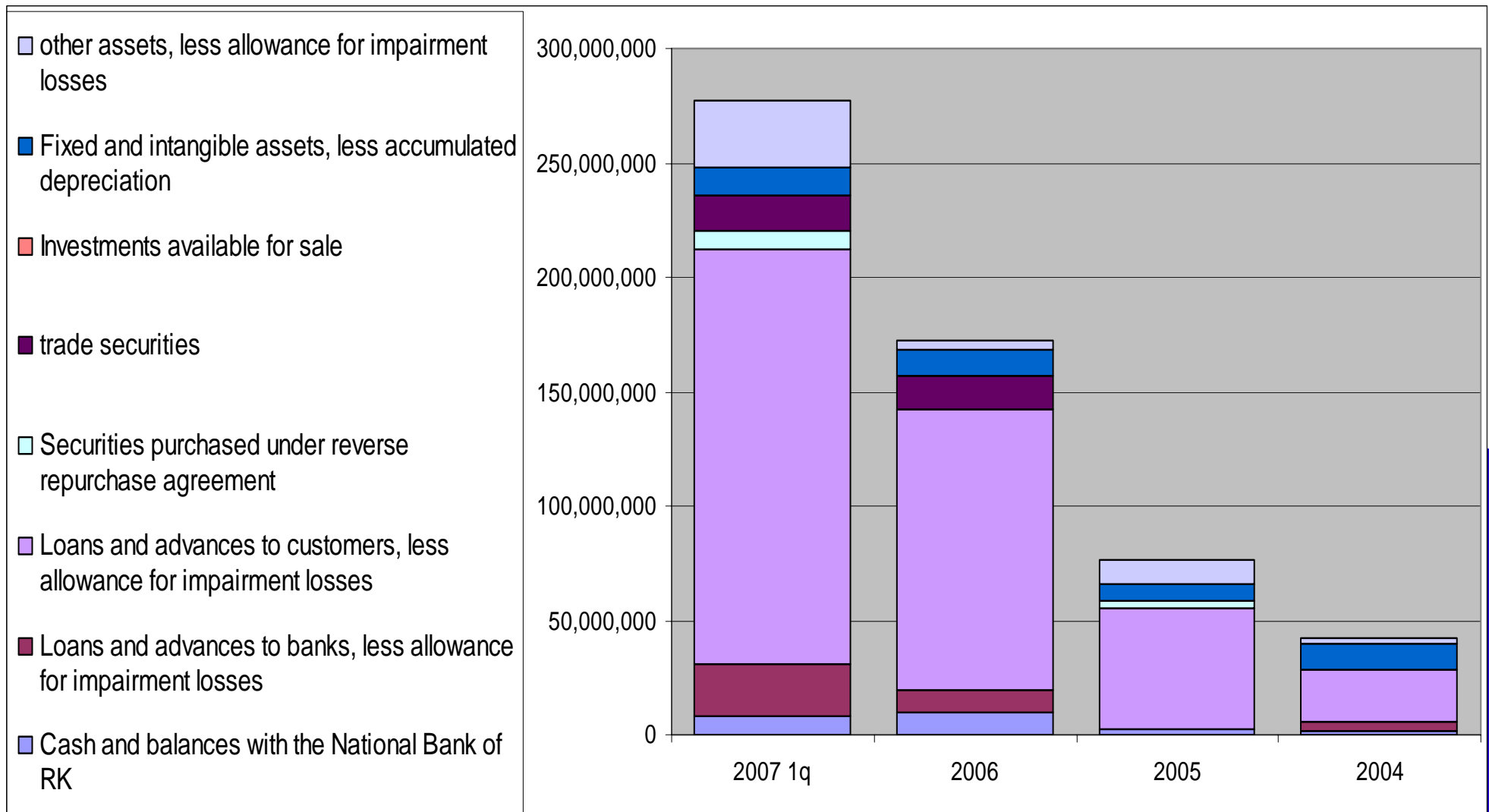
**During its activity as Governmental bank the following credit limits were established and successfully paid back**

<b>Financial Institution</b>	<b>Total Amount</b>
KFW	More than 30 mio EUR
State Bank of India	About 6 mio USD
TurkEximbank	More than 100 mio USD
US EximBank	More than 9 mio USD
Credit Commercial de France	More than 600.000,00 Fr
Societe Generale	More than 14 mio USD
AKA	More than 30 mio EUR
OEKB	More than 48 mio USD
IBRD	More than 30 mio USD
Other (UBS, CS, Napoalim, EDC etc)	

**The Bank has correspondent accounts with following banks:**

Alfa-Bank, Moscow - (RUB), Credit Suisse, Zurich - (CHF), Commerzbank AG, Frankfurt - (EUR, USD), Mizuho Corporate Bank Ltd, Tokyo - (USD, JPY), Dresdner Bank AG, Frankfurt - (EUR,USD), Banca Intesa, Milan - (USD) Landesbank Berlin AG, Berlin - (EUR,USD), Eurasian Bank, Almaty, etc.

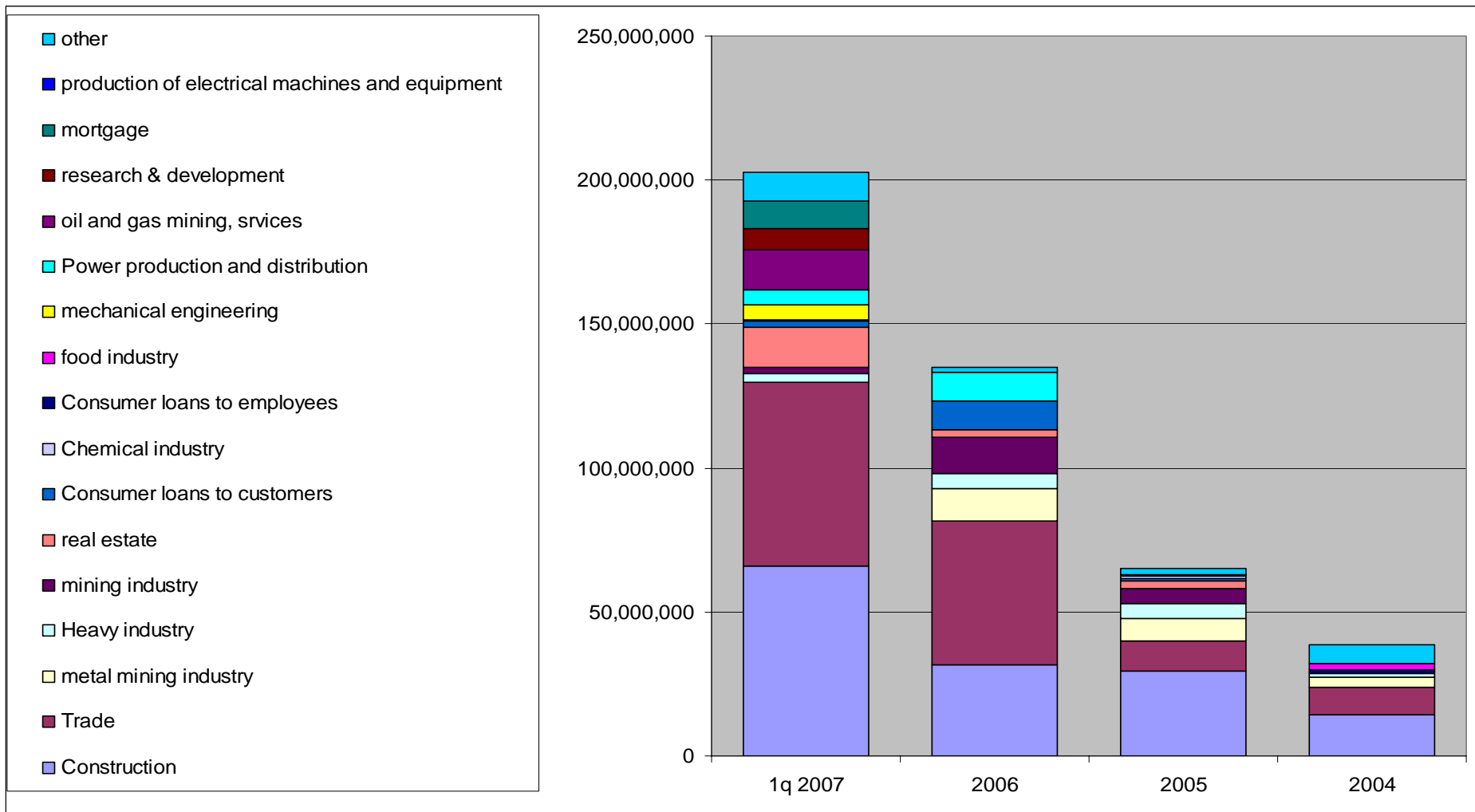
# Assets structure, USD mln



Assets increased for 61% in 1q of 2007 compared to 2006, more than doubled in 2006 compared to 2005 and increased for 300% in 2006 in compare with 2004

# Loan portfolio, USD mln

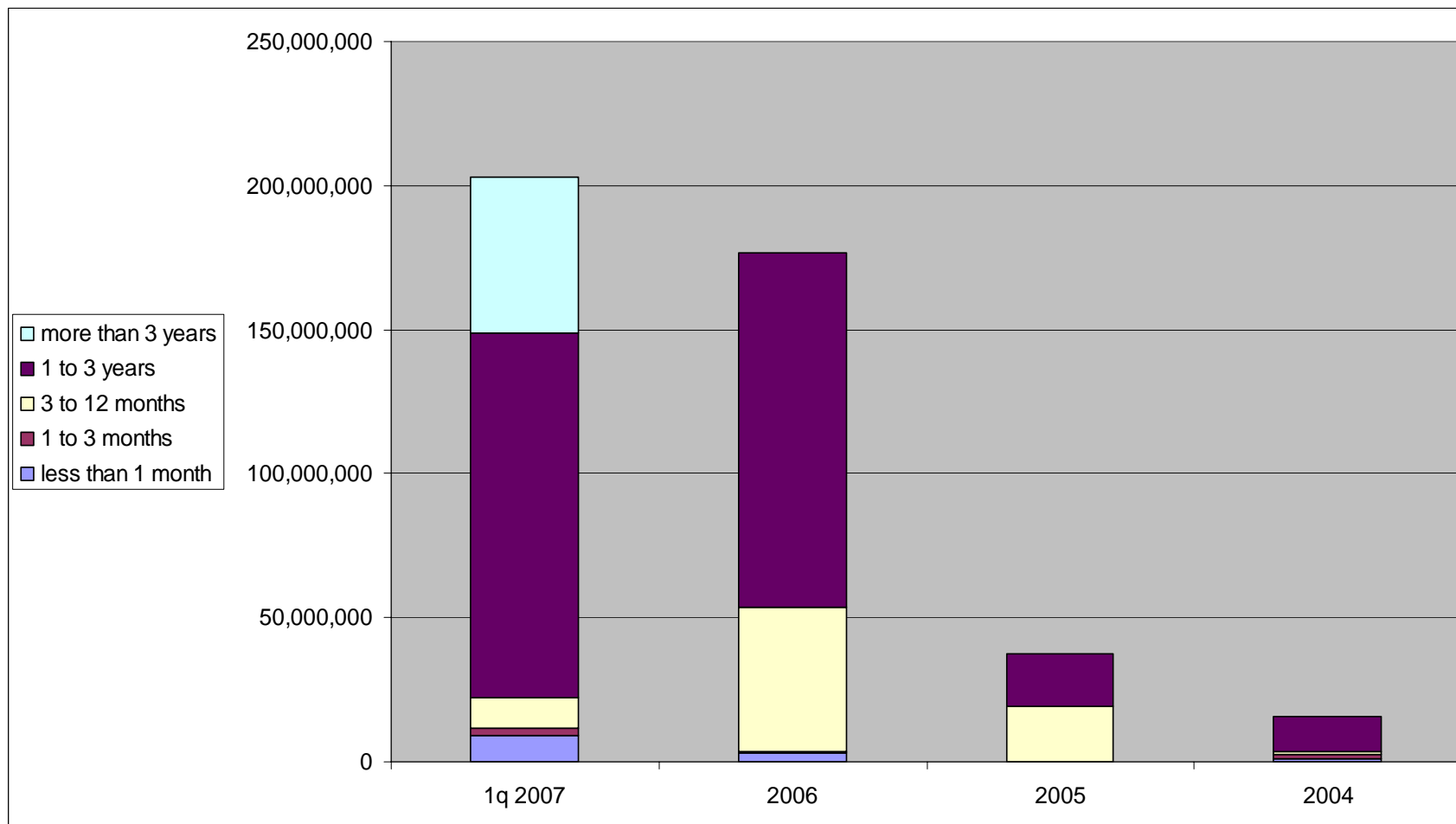
## Breakdown by Industry



- Improved quality of loan portfolio and decreased credit risk driven by great attention to diversification of the loan portfolio and conservative reserves policy

# Loan portfolio, USD mln

## Loan portfolio duration

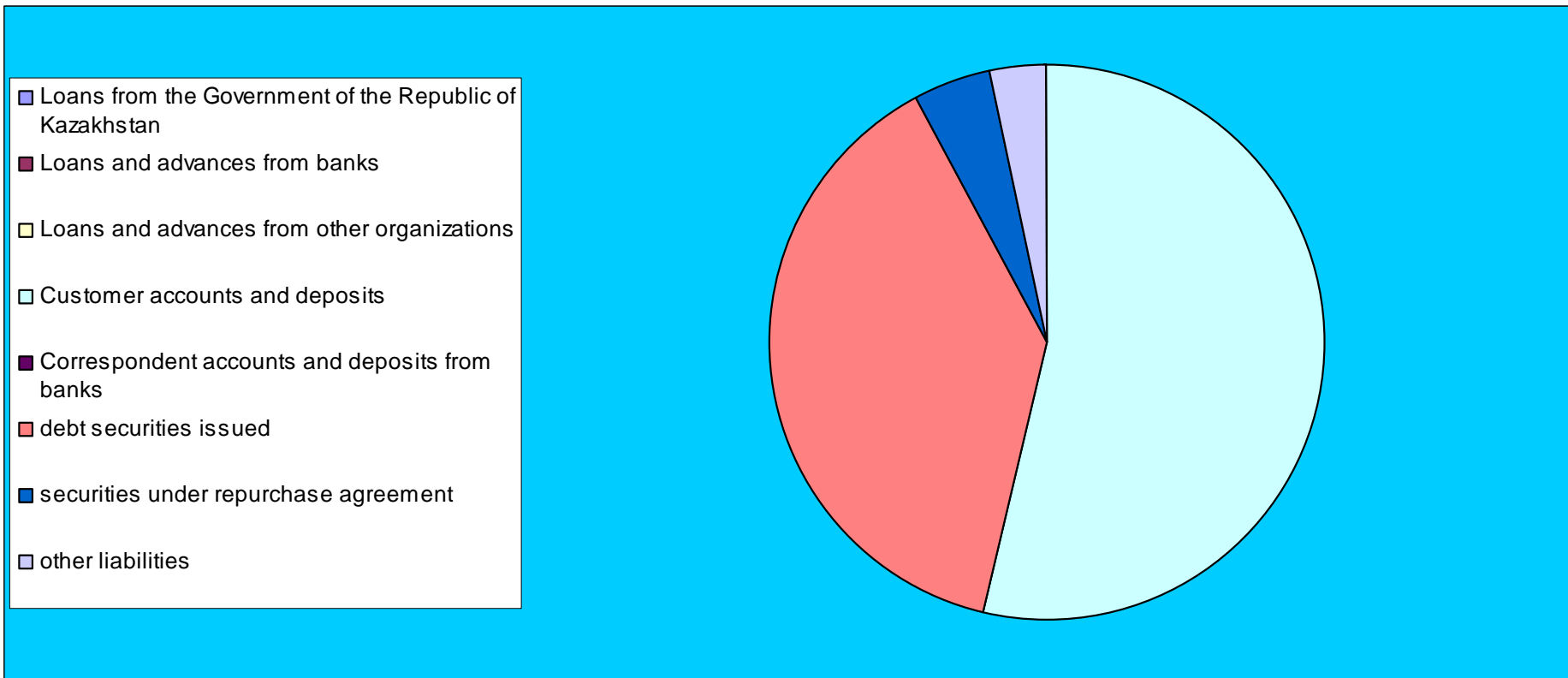


### Average loan portfolio interest rates

Currency	2006	2005	2004
Tenge	14,6%	14,0%	12,3%

# Liabilities structure

## Funding mix

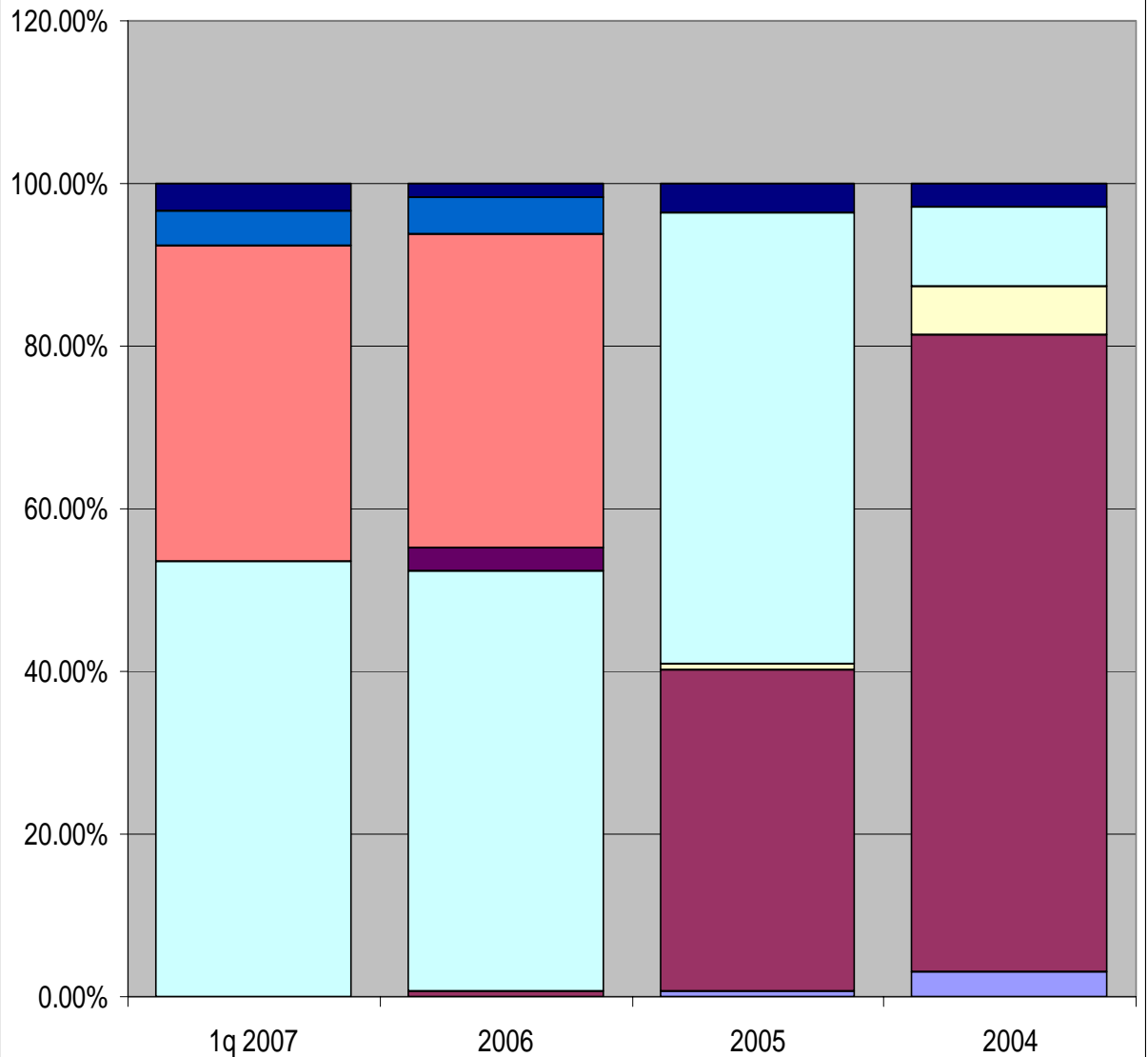


- Customer accounts and deposits remain one of the main funding sources
- Strategy to extend the overall maturity structure of liabilities

# Liabilities structure

Funding mix

- other liabilities
- reserves on losses for contingent liabilities
- securities under repurchase agreement
- debt securities issued
- Correspondent accounts and deposits from banks
- Customer accounts and deposits
- Loans and advances from other organizations
- Loans and advances from banks
- Loans from the Government of the Republic of Kazakhstan



# Summarized Financial statements, mln USD

- Summarized Balance Sheet

	2004	2005	2006	1q 2007
Total Assets	42,5	76,4	171,69	277,4
Total Liabilities	8,16	29,94	101,5	185,1
Loans and advances to customers	23,3	52,53	122,77	180,6
Customer accounts	0,8	16,63	44,33	98,9
Equity	34,3	46,4	70,4	92,3

- Summarized Income Statement

	2004	2005	2006	1q 2007
Interest Income	2,2	6,7	13,77	5,7
Interest Expense	0,31	1,03	3,18	2,2
Provisions/recovery for Loan Losses	5,4	-1,05	-9,2	0,016
Net interest Income	7,3	4,6	10,6	3,5
Operating Income	7,7	6,9	6,2	3,05
Operating Expense	2,86	3,9	2,4	2,08
Net Income before Tax	8,16	10,4	22,6	1,02



# Key Financial Ratios

	1 q 2007	2006	2005	2004
<b>Assets quality</b>				
Liquid assets/assets	8,41%	11%	8,3%	13,0%
Interest bearing assets/assets	87,8%	195%	73,7%	65,0%
Loans, gross/assets	70,2%	76%	87,3%	87,8%
Loans, net/assets	65,2%	69%	68,8%	54,8%
<b>Loan portfolio</b>				
Short term loans/loans, gross	30,1%	33%	53,4%	50,9%
Overdue loans/loans, gross	2,3%	4%	5,8%	8,7%
Provisions or allowance for impairment losses/loans, gross	7,3%	10%	21,2%	37,6%
<b>capitalization</b>				
Share capital/assets	32,6%	49%	79,1%	146,5%
Share capital/shareholders equity	98%	97%	130%	181%
Shareholders equity/assets	33,2%	50%	61%	81%
Shareholders equity/interest bearing assets	37,9%	52%	82%	124%
Shareholders equity/liabilities	49,8%	99,5%	155%	421%
Liabilities/Shareholders equity	200,6%	100,5%	64%	24%
<b>profitability</b>				
Interest income/interest bearing assets	1,43%	8%	11,9%	7,8%
ROAA	0,4%	13%	16,1%	27,2%
ROAE	1,05%	28%	23,6%	41,8%
Net income/interest income	27,1%	134%	141,4%	437,5%
Net income/non interest income	31%	277%	136,7%	126,8%
Non interest income/operating expenses	146%	255%	173,8%	281,4%