

CJSC "Kyrgyz Investment and Credit Bank"

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June, 2017 (inclusive)
KGS '000

| | 30.06.2017 | 30.06.2016 | 31.12.2016 |
|--|-------------------|-------------------|-------------------|
| ASSETS | | | |
| Cash | 1 270 445 | 1 113 964 | 1 187 798 |
| Due from National Bank of Kyrgyz Republic | 3 655 727 | 3 155 011 | 4 509 391 |
| Due from banks | 5 466 781 | 6 283 323 | 7 249 208 |
| Held to maturity securities | 3 640 649 | 2 098 267 | 1 853 258 |
| Amounts receivable under reverse repurchase agreements | - | - | - |
| Loans to banks and other financial institutions | 15 407 | 407 008 | 24 485 |
| Provisions for losses on loans to banks and other financial institutions | (325) | (2 506) | (505) |
| Loans to banks and other financial institutions, net | 15 082 | 404 502 | 23 980 |
| Loans to customers | 9 446 086 | 9 614 026 | 9 466 760 |
| Provisions for losses on loans to customers | (945 004) | (802 569) | (964 227) |
| Loans to customers, net | 8 501 083 | 8 811 458 | 8 502 534 |
| Fixed assets | 613 668 | 624 361 | 623 444 |
| Intangible assets | 146 962 | 108 105 | 140 811 |
| Investments in associate | 122 998 | 102 854 | 110 564 |
| Other assets | 878 101 | 720 028 | 659 386 |
| Total assets | 24 311 496 | 23 421 871 | 24 860 374 |
| LIABILITIES | | | |
| Deposits and balances from banks and other financial institutions | 230 140 | 950 363 | 148 635 |
| Current accounts and deposits from customers | 15 527 120 | 12 749 772 | 15 476 202 |
| Current accounts and deposits of Government Agencies and local authorities of KR | 850 281 | 1 129 776 | 1 266 849 |
| Loans payable to National Bank of Kyrgyz Republic | 956 762 | 858 242 | 644 855 |
| Other borrowed funds | 1 277 416 | 2 741 125 | 2 126 792 |
| Subordinated Debt | 109 026 | 107 325 | 102 630 |
| Debt securities issued | 312 650 | 248 237 | 276 655 |
| Income tax payable | - | 3 789 | - |
| Other liabilities | 828 713 | 595 030 | 689 628 |
| Total liabilities | 20 092 107 | 19 383 660 | 20 732 246 |
| SHAREHOLDERS' FUNDS | | | |
| Share capital | 1 209 892 | 1 181 005 | 1 211 527 |
| Share premium | 34 223 | 33 406 | 34 269 |
| Retained earnings and other reserves for general banking risks | 2 760 172 | 2 581 468 | 2 648 813 |
| Current year income/ loss | 94 609 | 172 001 | 109 957 |
| Cumulative translation reserve | (25 586) | (11 574) | (15 781) |
| Total equity attributable to Group shareholders | 4 073 309 | 3 956 305 | 3 988 784 |
| Non-controlling interest | 146 080 | 81 906 | 139 344 |
| Total equity | 4 219 389 | 4 038 211 | 4 128 128 |
| Total liabilities and equity | 24 311 496 | 23 421 871 | 24 860 374 |

Chief Executive Officer

Kwang Young Choi

Chief Finance Officer

Mansoor Ali Halari

Chief accountant

Cholpon Suvanbekova



Financial report of CJSC 'Kyrgyz Investment and Credit Bank, as well as its appendixes can be obtained in Head Office, branches and sub-branches of CJSC "Kyrgyz Investment and Credit Bank".

Registered address of Head Office: 720040, Bishkek, Erkindik blvd., 21

CJSC "Kyrgyz Investment and Credit Bank"

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

as at 30 June, 2017 (inclusive)

KGS '000

| | 30.06.2017 | 30.06.2016 |
|---|----------------|----------------|
| Interest income | 885 469 | 882 949 |
| Interest expense | (402 190) | (369 579) |
| Net interest income before impairment losses on interest bearing assets | 483 278 | 513 370 |
| Impairment losses on interest bearing assets | 27 448 | (29 082) |
| Net interest income | 510 727 | 484 288 |
| Fee and comission income | 147 972 | 125 049 |
| Fee and comission expense | (63 253) | (48 649) |
| Net foreign exchange income | 90 388 | 85 151 |
| Share of profit in associate | 13 981 | 3 718 |
| Other operating income | 21 320 | 26 127 |
| Impairment losses on other transactions | (119 631) | (996) |
| Net non-interest income | 90 779 | 190 399 |
| Reserves for non-income taxes | | |
| Operating income | 601 505 | 674 688 |
| Operating expense | (489 305) | (479 950) |
| Operating profit | 112 200 | 194 738 |
| Other non-operating income and expense | | |
| Profit before income tax | 112 200 | 194 738 |
| Income tax expense | (10 763) | (25 614) |
| Profit for the period | 101 438 | 169 124 |
| Foreign currency translation differences | (9 684) | 17 621 |
| Total comprehensive income for the period | 91 754 | 186 744 |
| Profit attributable to: | | |
| Equity holders of the Group | 94 609 | 172 001 |
| Non-controlling interest | 6 828 | (2 877) |
| | 101 438 | 169 124 |
| Total comprehensive income attributable to: | | |
| Equity holders of the Group | 84 784 | 177 575 |
| Non-controlling interest | 6 970 | 9 169 |
| | 91 754 | 186 744 |

Chief Executive Officer



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Kwang Young Choi

Chief Finance Officer

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Mansoor Ali Halari

Chief accountant

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Cholpon Suvanbekova

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CJSC "Kyrgyz Investment and Credit Bank"

CONSOLIDATED STATEMENT OF CASH FLOWS

as at 30 June, 2017 (inclusive)

KGS '000

| | 30.06.2017 | 30.06.2016 |
|--|--------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Interest receipts | 903 813 | 826 274 |
| Interest payments | (369 574) | (352 865) |
| Fee and commission receipts | 144 385 | 121 975 |
| Fee and commission payments | (68 101) | (50 480) |
| Net receipts from foreign exchange | 96 884 | 83 755 |
| Other income receipts | 23 491 | 25 895 |
| General and other administrative expenses | (406 624) | (446 857) |
| (Increase)/decrease in operating assets | | |
| Reverse repurchase agreements | - | - |
| Loans to customers | (222 388) | 878 720 |
| Other assets | (93 977) | 223 544 |
| Increase/(decrease) in operating liabilities | | |
| Deposits and balances from banks and other financial institutions | 78 470 | (58 646) |
| Current accounts and deposits from customers | (356 932) | 114 687 |
| Other liabilities | 98 784 | 140 694 |
| Net cash from/(used in) operating activities before income tax paid | (171 769) | 1 506 695 |
| Income tax paid | (4 546) | (692) |
| Cash flows from/(used in) operations | (176 315) | 1 506 003 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchases of investments in securities | (20 894 768) | (3 238 095) |
| Repayment of investments in securities | 19 100 634 | 1 966 024 |
| Purchases of property, equipment and intangible assets | (68 673) | (20 983) |
| Proceeds on sale of property, equipment and intangible assets | - | 266 |
| Cash flows from investing activities | (1 862 806) | (1 292 788) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Placement of debt securities issued | 35 561 | 107 469 |
| Redemption of debt securities issued | - | - |
| Repayment of subordinated debt | (2 342) | (2 160) |
| Receipt of other borrowed funds | 926 860 | 1 458 942 |
| Repayment of other borrowed funds | (1 489 111) | (1 384 445) |
| Dividends paid | - | (61 561) |
| Cash flows (used in)/from financing activities | (529 032) | 118 246 |
| Net increase in cash and cash equivalents | (2 568 153) | 331 461 |
| Effect of changes in exchange rates on cash and cash equivalents | 14 708 | (1 467 367) |
| Cash and cash equivalents at the beginning of the year | 12 946 397 | 11 688 203 |
| Cash and cash equivalents at the end of the period | 10 392 952 | 10 552 297 |

Chief Executive Officer

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Chief Finance Officer

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Chief accountant

Cholpon Suvanbekova



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CJSC "Kyrgyz Investment and Credit Bank"

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
as at 30 June, 2017 (inclusive)
KGS '000

| | Share capital | Share premium | Retained earnings and other reserves for general banking risks | Cumulative translation reserve | Total equity attributable to Group shareholders | Non-controlling interest | Total |
|--|---------------|---------------|--|--------------------------------|---|--------------------------|-----------|
| December 31, 2015 | 1 328 238 | 37 570 | 2 972 527 | (19 459) | 4 318 876 | 81 978 | 4 400 854 |
| Total comprehensive income | - | - | 172 001 | - | 172 001 | - | 172 001 |
| Foreign currency translation differences | (147 233) | (4 165) | (329 499) | 7 885 | (473 011) | 2 805 | (470 206) |
| Non-controlling interest | - | - | - | - | - | (2 877) | (2 877) |
| Dividends paid | - | - | (61 561) | - | (61 561) | - | (61 561) |
| June 30, 2016 | 1 181 005 | 33 406 | 2 753 468 | (11 574) | 3 956 305 | 81 906 | 4 038 211 |
| December 31, 2016 | 1 211 527 | 34 269 | 2 758 770 | (15 781) | 3 988 784 | 139 344 | 4 128 128 |
| Total comprehensive income | - | - | 94 609 | - | 94 609 | - | 94 609 |
| Foreign currency translation differences | (1 634) | (46) | 1 402 | (9 805) | (10 084) | (93) | (10 176) |
| Non-controlling interest | - | - | - | - | - | 6 828 | 6 828 |
| Dividends paid | - | - | - | - | - | - | - |
| June 30, 2017 | 1 209 892 | 34 223 | 2 854 781 | (25 586) | 4 073 309 | 146 080 | 4 219 389 |

Chief Executive Officer

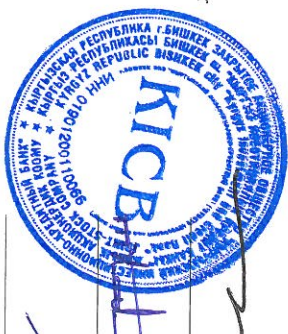
Kwang Young Choi

Chief Finance Officer

Mansoor Ali Halari

Chief accountant

Cholpon Suvanbekova



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CJSC "Kyrgyz Investment and Credit Bank"

INFORMATION ON COMPLIANCE WITH ECONOMIC STANDARDS
as at 30 June, 2017 (inclusive)

| Title of economic standards and requirements | Ratios | Specified value of ratios | The actual value of ratios |
|---|--------|---------------------------|----------------------------|
| Maximum single exposure risk | K1.1 | not more than 20% | 11,1% |
| Maximum single exposure to one related party or group of related parties risk | K1.2 | not more than 15% | 0,1% |
| Maximum interbank placements risk | K1.3 | not more than 30% | 10,4% |
| Maximum interbank placements to one related bank or group of related banks | K1.4 | not more than 15% | 1,4% |
| Capital Adequacy ratio | K2.1 | not less than 12% | 29,3% |
| Capital Tier 1 Adequacy ratio | K2.2 | not less than 6% | 27,5% |
| Leverage ratio | K2.3 | not less than 8% | 16,7% |
| Liquidity ratio | K3 | not less than 45% | 69,2% |
| Total number of days with violation of open long FX position | K4.2 | not more than 10% | - |
| Total number of days with violation of open short FX position | K4.3 | not more than 10% | - |
| Capital buffer | | not less than 20% | 29,3% |

Chief Executive Officer  Kwang Young Choi

Chief Finance Officer  Mansoor Ali Halari

Chief accountant  Cholpon Suvanbekova



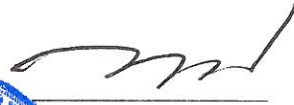
Appendix 1 to the financial statements of CJSC “Kyrgyz Investment and Credit Bank”

Significant events related to the financial and operational activities and necessary to disclose as at 01 July 2017:

1. Information on all securities issued and placed by Bank during the reporting period – during the 2nd quarter of 2017 Bank didn't place any bonds.
2. List of all major shareholders and shareholders – controlling shareholders and their shares – in Appendix 2 to the financial statements.
3. Changes in the list of parties who participate in management of the Bank (except general meeting of shareholders) – By the Decision of Board of Directors of CJSC ‘KICB’ as of April 28, 2017, Mr. Kurmanbekov Bakyt Obolbekovich and Mr. Aldayarov Nurlan Nurkulovich were appointed as Management Members of CJSC ‘KICB’.
4. Changes in the rate of participation of persons belonging to the elected bodies of the Bank's management, the Bank's capital, as well as its subsidiaries and associated companies – no changes.
5. Changes in the list of shareholders with shares more than 5%, and changes of shares of shareholders with shares more than 5% - no changes.
6. Changes in the list of entities in which the Bank owns more than 20 percent of the authorized capital – no changes.
7. The appearance in the Bank's registers of parties, who own more than 5 % of voting shares – no changes.
8. One-time transaction of the Bank, which is equal or more than 10 % of Bank's assets – no transactions.
9. The event (events) that were the reason of one-time increase or decrease Bank's assets by more than 10 % – no events.
10. The event (events) resulted one-time increase of net income or net loss of the Bank for more than 10 % – no events.
11. The reorganization of the Bank, its subsidiaries and associated companies – no changes.
12. Accrued and (or) paid interests on Bank's debt securities: in 2nd quarter of 2017 were accrued and paid interests on second, third and fourth issue bonds in total amount of KGS 12,562,022.
13. Redemption of securities issued by Bank – no redemption.
14. Other events required by normative legal acts of the authorized state body on regulation of securities market:

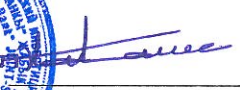
| Event | Date of the event | Date and form of disclosure of the event |
|---|-------------------|---|
| Payment of interests on 2 nd , 3 rd and 4 th issue bonds of the Bank | 16/06/2017 | On June 02, 2017, Bank disclosed the information in newspaper "Erkin-Too" |

Chief Executive Office



Kwang Young Choi

Chief Finance Officer

Mansoor Ali Halari

Chief accountant



Cholpon Suvanbekova



Appendix 2 to the financial statements of CJSC "Kyrgyz Investment and Credit Bank"

List of parties who have significant (direct or indirect) influence with decisions made by management of the bank

Full name: CJSC "Kyrgyz Investment and Credit Bank"
 Short name: CJSC KICB
 Registered number: 01901200110066
 Postal address: 720040, Erkindik blvd., 21

| Shareholders who have more than 5% of shares | | | Parties who have indirect (through the third parties) significant influence with | Relations between shareholders and parties who have indirect (through the third parties) significant influence with |
|--|---|---------|--|---|
| # | Full or short name of legal entities together with actual or registered office address | Shares | | |
| 1 | 2 | 3 | 4 | 5 |
| 1 | Aga Khan Foundation of Economic Development (AKFED), Avenue de la Paix 1-3, PO.Box 2067, 1211 Geneva 2, Switzerland | 21.001% | - | - |
| 2 | Habib Bank Ltd (HBL), 03-Habib Bank Plaza, I.I. Chundrigar Road, Karachi - 75650, Pakistan | 18.000% | - | - |
| 3 | Deutsche Investitions- und Entwicklungsgesellschaft (DEG), Kammergasse 22, 50676 Koeln, Postfach 10 09 61 Federal Republic of Germany | 17.000% | - | - |
| 4 | European Bank for Reconstruction and Development (EBRD), One Exchange Square, EC2A 2JN, London, Great Britain | 16.999% | - | - |
| 5 | International Finance Corporation (IFC), 2121 Pennsylvania Avenue, N.W. Washington, D.C. 20433, USA | 17.000% | - | - |
| 6 | Kyrgyz Republic (KR) Kyrgyz Republic, 720017, Bishkek, Moskovskaya str., 151 | 10.000% | - | - |

Chief Executive Officer

Kwang Young Choi

Chief Finance Officer

Mansoor Ali Halari

Chief accountant

Cholpon Suvanbekova



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Appendix 3 to the financial statements of CJSC "Kyrgyz Investment and Credit Bank"

Information about the subsidiaries, their shareholders and parties, who have significant (direct or indirect) influence with decisions made by management board of subsidiary companies of the group

Full name of the Parent company of the group: CJSC "Kyrgyz Investment and Credit Bank"

Short name of the Parent company of the group: CJSC KICB

Register number of the Parent company of the group: 01901200110066

Postal address of the Parent company of the group: 720040, Erkindik blvd., 21

| # | Name of the subsidiary companies of the group (with actual and registered addresses) | Name and partnership share of shareholder of subsidiary company of the group | Parent company's share in equity capital of subsidiary company | Subsidiary company's share in equity capital of the Parent company | Name and partnership share of the Parent Company's shareholders in equity capital of the subsidiary company | Relations between shareholders of the Parent and subsidiary companies and parties who have significant (direct or indirect) influence with decisions made by management board of subsidiary companies of the group |
|---|--|--|--|--|---|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | CJSC "Jubilee Kyrgyzstan Insurance Company", Bishkek, Zhukhev-Pudovkin str., 44/1 | - | 51% | - | Aga Khan Foundation of Economic Development (AKFED) - 21.001% | - |
| 2 | | | | | Habib Bank Ltd (HBL) - 18.000% | - |
| 3 | | | | | Deutsche Investitions- und Entwicklungsgesellschaft (DEG) - 17.000% | - |
| 4 | | | | | European Bank for Reconstruction and Development (EBRD) - 16.999% | - |
| 5 | | | | | International Finance Corporation (IFC) - 17.000% | - |
| 6 | | | | | Kyrgyz Republic (KR) - 10.000% | - |

Chief Executive Officer



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Kwang Young Choi

Chief Finance Officer



[Signature]

Mansoor Ali Halari

Chief accountant



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Cholpon Suvanbekova

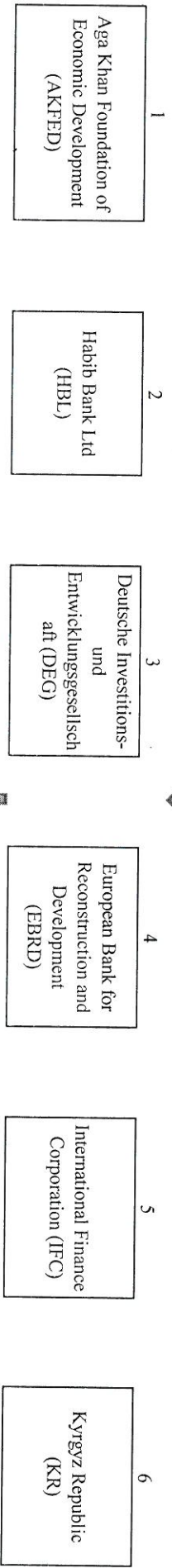
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Appendix 4 to the financial statements of CJSC "Kyrgyz Investment and Credit Bank"

Information about the structure of the group of companies

Name of the parent company: CJSC "Kyrgyz Investment and Credit Bank"
as of June 30, 2017 (inclusive)

Party/ies who has/ve significant impact:

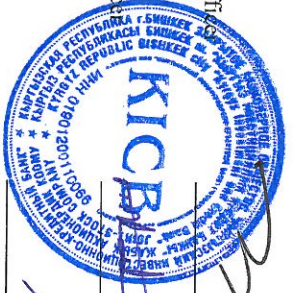


Bank-resident of KR - Parent company: CJSC "Kyrgyz Investment and Credit Bank"

Subsidiary company: CJSC 'Jubilee Kyrgyzstan Insurance Company'

Associate company: CJSC 'Interbank Processing Centre'

Chief Executive Officer: Kwang Young Choi
 Chief Finance Officer: Mansoor Ali Halari
 Chief accountant: Cholpon Suvanbekova



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