

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

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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

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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

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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 earning 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

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Chief accountant

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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



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Chief accountant

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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 28th, 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



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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%	-	-

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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, Zhukov-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%	-

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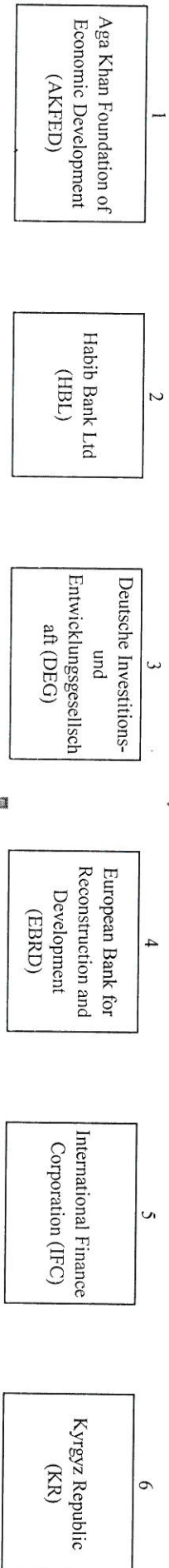
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Appendix 4 to the financial statements of CJSC "Kyrgyz Investment and Credit Bank"

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 K.R - 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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