

STATEMENT OF FINANCIAL POSITION
as at September 30, 2017

DEMIR KYRGYZ INTERNATIONAL BANK
Bishkek, Chui Avenue 245

in thousand Soms

| | 30 September 2017 | 31 December 2016 | 30 September 2016 |
|--|-------------------|-------------------|-------------------|
| ASSETS: | | | |
| Cash | 912 850 | 1 388 276 | 1 002 749 |
| Correspondent account at National Bank of Kyrgyz Republic | 1 380 538 | 1 465 109 | 1 237 919 |
| Due and loans to banks | 6 756 686 | 6 694 230 | 7 901 775 |
| Security investments | | | |
| - held to maturity | 795 765 | 51 741 | 47 472 |
| - available-for-sale | 22 299 | 104 690 | 163 750 |
| Gross Loans to customers | 5 959 631 | 5 777 548 | 5 174 026 |
| Minus: Impairment allowance | (210 808) | (215 887) | (244 612) |
| Net loans to customers | 5 748 823 | 5 561 661 | 4 929 414 |
| Property and equipment | 319 652 | 347 155 | 341 127 |
| Intangible assets | 65 190 | 62 402 | 57 260 |
| Others assets | 563 635 | 419 130 | 377 675 |
| TOTAL ASSETS | 16 565 438 | 16 094 394 | 16 059 141 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| LIABILITIES: | | | |
| Deposits and balances from banks | 9 913 | 11 973 | 14 124 |
| Current accounts and deposits from customers | 14 264 692 | 13 660 060 | 13 733 073 |
| Other borrowed funds | 383 320 | 495 924 | 422 363 |
| Current tax liability | 17 178 | 10 922 | 11 350 |
| Deferred tax liability | 3 573 | 10 046 | 6 589 |
| Other liabilities | 195 490 | 118 440 | 177 178 |
| TOTAL LIABILITIES | 14 874 166 | 14 307 365 | 14 364 677 |
| SHAREHOLDER'S EQUITY | | | |
| Share capital | 500 000 | 400 000 | 400 000 |
| Additionally paid-in capital | 1 | 1 | 1 |
| Revaluation reserves for available-for-sale financial assets | 26 | 590 | 2 782 |
| Retained earnings | 1 191 245 | 1 386 438 | 1 291 681 |
| TOTAL SHAREHOLDER'S EQUITY | 1 691 272 | 1 787 029 | 1 694 464 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 16 565 438 | 16 094 394 | 16 059 141 |

General Manager

Sevki Sarilar

Chief Accountant

Zulfiya Djakipova



STATEMENT OF COMPREHENSIVE INCOME
as at September 30, 2017

DEMIR KYRGYZ INTERNATIONAL BANK
Bishkek, Chui Avenue 245

in thousand Soms

| | 30 September 2017 | 31 December 2016 | 30 September 2016 |
|--|-------------------|------------------|-------------------|
| Interest income | 675 079 | 895 939 | 663 287 |
| Interest expenses | (202 350) | (321 291) | (236 398) |
| NET INTEREST INCOME BEFORE PROVISION/RECOVERY OF PROVISION FOR IMPAIRMENT LOSSES ON INTEREST BEARING ASSETS | 472 729 | 574 648 | 426 889 |
| Recovery of provision for impairment losses on interest bearing assets | 3 929 | 57 346 | 27 237 |
| NET INTEREST INCOME | 476 658 | 631 994 | 454 126 |
| Net gain on foreign exchange operations | 102 960 | 151 753 | 109 328 |
| Fee and commission income | 246 159 | 286 552 | 205 390 |
| Fee and commission expenses | (93 032) | (104 302) | (74 641) |
| Other income/ (expenses) | 3 624 | 8 542 | 4 713 |
| NET NON-INTEREST INCOME | 259 711 | 342 545 | 244 790 |
| OPERATING INCOME | 736 369 | 974 539 | 698 916 |
| OPERATING EXPENSES | (594 862) | (742 712) | (572 738) |
| PROFIT BEFORE PROVISION FOR IMPAIRMENT LOSSES ON OTHER TRANSACTIONS AND INCOME TAX | 141 507 | 231 827 | 126 178 |
| Provision for impairment losses on other transactions | (19 187) | (36 832) | (41 418) |
| PROFIT BEFORE INCOME TAX | 122 320 | 194 995 | 84 760 |
| Income tax expenses | (11 758) | (21 992) | (6 514) |
| NET PROFIT | 110 562 | 173 003 | 78 246 |
| Net change in value of AFS | (564) | 590 | 2 782 |
| TOTAL COMPREHENSIVE INCOME | 109 998 | 173 593 | 81 028 |
| <i>Earning per share</i> | <i>221</i> | <i>346</i> | <i>156</i> |

General Manager

Sevki Sarilar

Chief Accountant

Zulfiya Djakipova



**Statement of changes in equity
as at September 30, 2017**

DEMIR KYRGYZ INTERNATIONAL BANK

Bishkek, Chui Avenue 245

in thousand Soms

| | Share Capital | Additional Paid in capital | Retained earnings | Revaluation reserve for AFS financial assets | Total equity |
|---|----------------|-------------------------------|----------------------|---|------------------|
| Balance as at December 31st, 2015 | 300 000 | 1 | 1 313 435 | 0 | 1 613 436 |
| Net Profit | - | - | 78 246 | - | 78 246 |
| Other comprehensive income: | | | | | |
| Net change in fair value of available-for -sale financial assets, net of income tax | - | - | - | 2 782 | 2 782 |
| Transactions with owners, recorded directed in equity: | | | | | |
| Shares issue | 100 000 | - | (100 000) | - | - |
| Balance as at September 30th, 2016 | 400 000 | 1 | 1 291 681 | 2 782 | 1 694 464 |
| Net Profit | - | - | 94 757 | - | 94 757 |
| Other comprehensive income: | | | | | |
| Net change in fair value of available-for -sale financial assets, net of income tax | - | - | - | (2 192) | (2 192) |
| Balance as at December 31st, 2016 | 400 000 | 1 | 1 386 438 | 590 | 1 787 029 |
| Net Profit | - | - | 110 562 | - | 110 562 |
| Other comprehensive income: | | | | | |
| Net change in fair value of available-for -sale financial assets, net of income tax | - | - | - | (564) | (564) |
| Transactions with owners, recorded directed in equity: | | | | | |
| Shares issue | 100 000 | - | (100 000) | - | - |
| Dividends paid | - | - | (205 755) | - | (205 755) |
| Balance as at September 30th, 2017 | 500 000 | 1 | 1 191 245 | 26 | 1 691 272 |

General Manager

Sevki Sarilar

Chief Accountant

Zulfiya Djakipova



**NBKR Normatives III quarter 2017
as at September 30, 2017**

DEMIR KYRGYZ INTERNATIONAL BANK
Bishkek, Chui Avenue 245

| Normatives & Requirements Definition | Limit | Actual |
|---|-------------------|--------|
| Maximum single exposure risk | not more than 20% | 19,4% |
| Maximum single exposure to one related party or group of related parties risk | not more than 15% | 0,6% |
| Maximum interbank placements risk | not more than 30% | 24,3% |
| Maximum interbank placements to one related bank or group of related banks | not more than 15% | 11,0% |
| Capital Adequacy ratio | not less than 12% | 16,3% |
| Capital Tier 1 Adequacy ratio | not less than 6% | 14,6% |
| Leverage ratio | not less than 8% | 10,2% |
| Liquidity ratio | not less than 45% | 52,3% |
| Total number of days with violation of open long FX position | not more than 10% | - |
| Total number of days with violation of open short FX position | not more than 10% | - |
| Capital buffer | not less than 18% | 16,3% |

General Manager



Chief Accountant

Sevki Sarilar

Zulfiya Djakipova

CASH FLOW STATEMENT

as at September 30, 2017

DEMIR KYRGYZ INTERNATIONAL BANK
Bishkek, Chui Avenue 245

in thousand Soms

| | 30 September 2017 | 30 September 2016 |
|---|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Interest receipts | 677 389 | 686 029 |
| Interest payments | (220 230) | (264 742) |
| Fee and commission receipts | 246 159 | 205 390 |
| Fee and commission payments | (93 032) | (74 641) |
| Net receipts from foreign exchange | 106 026 | 119 706 |
| Other income receipts | 3 599 | 4 660 |
| Other general administrative expenses payments | (401 610) | (544 452) |
| Cash inflows from operating activities before changes in operating assets and liabilities | 318 301 | 131 950 |
| Changes in operating assets and liabilities | | |
| (Increase)/ decrease in operating assets | | |
| Loans and advances to banks | 516 207 | (155 136) |
| Loans to customers | (292 147) | 239 543 |
| Reverse REPO agreements | - | - |
| Other assets | (98 732) | (5 774) |
| Increase/ (decrease) in operating liabilities | | |
| Due to banks | (2 553) | 10 865 |
| Current accounts and deposits from customers | 625 748 | 1 037 290 |
| Other liabilities | 4 957 | 54 134 |
| Cash inflows from operating activities before income tax | 1 071 781 | 1 312 872 |
| Income tax paid | (11 975) | (12 974) |
| Net cash inflow from operating activities | 1 059 806 | 1 299 898 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchases of available-for-sale financial assets and investments in securities | (22 179) | (205 658) |
| Repayment of available-for-sale financial assets | 104 086 | - |
| Purchases of property and equipment and intangible assets | (79 459) | (92 793) |
| Sales of property and equipment and intangible assets | 2 121 | 53 |
| Net cash flows from investing activities | 4 569 | (298 398) |
| CASH FLOW FROM FINANCIAL ACTIVITIES | | |
| Dividends paid | (205 755) | - |
| Receipt of borrowed funds | 6 278 | 163 683 |
| Repayments of borrowed funds | (111 407) | (102 401) |
| Net cash inflow from / outflow used in financial activities | (310 884) | 61 282 |
| Net increase in cash and cash equivalents | 753 491 | 1 062 782 |
| Effect of changes in exchange rates on cash and cash equivalents | 32 946 | (196 085) |
| Cash and cash equivalents at the beginning of the period | 6 373 656 | 6 389 706 |
| Cash and cash equivalents at the end of the period | 7 160 093 | 7 256 403 |

General Manager

Chief Accountant



Sevki Sarilar

Zulfiya Djakipova