

WEEK OF STOCK MARKET OF KAZAKHSTAN

September 6 - 12

US dollar = 147.50 tenge at official rate for the end of the period

US dollar = 147.56 tenge at weighted average rate of the Exchange for the end of the period

Weekly rate of tenge devaluation – **negative 6.80% APR**

Money market rates as of September 12 and weekly changes

Term	Currency	Rate	Trend
Repo opening at KASE (WA, % APR)			
1 day	KZT	3.24	+0.61
5-6 days	KZT	4.10	–
14 days	KZT	9.53	+2.53
28 days	KZT	7.00	-0.56
27-28 days	USD	11.00	–
KIBOR (indicative, % APR)			
1 week	KZT	7.50	+0.33
2 weeks	KZT	8.00	+0.17
1 month	KZT	8.50	-0.17
2 months	KZT	9.25	-0.08
3 months	KZT	10.00	-0.17

Investment attractiveness of stock exchange instruments from September 6 through 12

Financial instrument	Currency	Yield, % APR	Volume of deals, KZT m	Volume of deals, USD m
Instruments denominated in national currency, tenge				
CS Repo	KZT	*10.79 (*8.55)	201.3 (281.2)	1,362.7 (1,906.3)
MEOKAM, MEAKAM	KZT	8.13 (8.13)	745.6 (965.5)	5,047.8 (6,546.1)
MEKKAM, notes	KZT	*4.45 (*5.50)	54.9 (58.8)	371.4 (398.7)
GS Repo	KZT	*3.54 (*3.24)	3,889.4 (4,005.6)	26,329.0 (27,156.7)
Instruments indexed to the US dollar				
SMGZb1	USD	13.51 (13.51)	48.7 (156.7)	330.4 (1,064.0)
VITAb2	USD	12.50 (13.49)	0 (30.5)	0 (207.4)
ALKSb2	USD	12.00 (12.00)	0 (8.3)	0 (56.4)
BTASb1	USD	11.41 (11.00)	39.3 (0)	266.3 (0)
CCBNb1	USD	11.09 (11.09)	0 (0)	0 (0)
RGBRb2	USD	11.00 (–)	0 (0)	0 (0)
KZASb1	USD	11.00 (11.00)	0 (0)	0 (0)
ASFib1	USD	10.50 (10.50)	0 (56.9)	0 (386.4)
TEBNb	USD	10.50 (10.50)	29.7 (0)	201.0 (0)
KARMB1	USD	10.00 (9.89)	22.0 (0)	149.3 (0)
TMJLb2	USD	9.00 (8.80)	72.7 (0)	493.9 (0)
SYRb1	USD	8.50 (8.50)	0 (0)	0 (0)
HSBKb	USD	8.40 (8.46)	0 (0)	0 (0)
VKU	USD	8.37 (8.36)	112.6 (17.0)	763.4 (115.5)
KZTOb	USD	8.30 (8.11)	77.2 (0)	523.7 (0)
KZOLb	USD	7.85 (7.85)	0 (0)	0 (0)
Instruments denominated in US dollars				
BTASe1	USD	10.66 (10.66)	0 (0)	0 (0)
KKGBe2	USD	9.20 (9.20)	0 (0)	0 (0)
KZTOe1	USD	8.62 (8.62)	0 (0)	0 (0)
Euronotes-4	USD	7.01 (7.07)	750.2 (707.1)	5,081.1 (4,795.5)
Euronotes-3	USD	6.73 (6.77)	542.8 (951.6)	3,675.8 (6,451.1)
Euronotes-2	USD	5.60 (5.97)	199.6 (161.4)	1,352.8 (1,094.6)
Ifo bonds	USD	4.14 (–)	92.8 (0)	628.0 (0)

Notes: Yields of BTASb1, KARMB1, KZTOb, SMGZb1, TEbn and TMJLb21 are calculated as average of the deals, including initial additional floatation. Yields of other corporate bonds are calculated as average of offer bids. The correspondent ratio of last week is given in the parentheses. Securities marked by a star are the instruments with less than a year circulation term. Weighted average effective yields are given for them. Yields for bonds with more than a year maturity are estimated on a semiannual basis.

THE CORPORATE SECURITIES SECTOR (CS)

Primary market

In primary market sector initial additional offering of second issue inscribed coupon bonds of **Kazakhstan Temir Joly NSE** (KZ2EUY03A368; official list of KASE securities of category “A”, TMJLb2A; \$100, \$30m, July 10.01 - July 10.04, semiannual coupon at 8.0% APR) continued in the trade system of the KASE. One deal was made to buy 5,000 bonds for \$493,943.83, or KZT72,856,715.42 at current official rate. The deal was made at 98.7888%, which corresponds to an yield to maturity of **8.9999% APR** on a semiannual basis.

Secondary market

In the purchase-sale sector 9 deals were concluded amounting to **\$1,616.3 th.** (KZT238.5m). Compared to previous week (12 deals, \$1,755.6 th., KZT258.5m) the sector's turnover decreased by 7.9%. The most traded were bonds of KazTransOil CJSC (32.4% of total turnover), then there were bonds of SHAKHARMUNAIGAS OJSC (20.4%), bonds of Bank TuranAlem OJSC (16.5%) and bonds of Temirbank OJSC (12.4%). In other instruments the volumes were insignificant. All 9 deals were made using the main trade mode of the KASE. A total of 8 instruments were used to make deals in this week, last week – 7.

By the last deals of the period the value of CCBN increased by 0.4% relative to previous successful trades. The value of ATFBp fell by 0.9%, UTMKp – by 10.7%. The yields of KZTOb fell from 8.2967% to 8.3004%, SMGZb1 – from 13.5107% to 13.5129% APR. The yields of BTASb1 fell from 11.5047% to 10.9951%, KARMB1 – from 10.3243% to 9.9988%, TEBNb – from 10.4995% to 10.4964% APR.

The index KASE Shares decreased by 12.8612 (11.30%) during the week and was fixed at closing of September 12 at **100.9692**. Such a noticeable change in index was due to a decline of bid prices of common shares of KAZKOMMERTSBANK OJSC from \$0.35 to \$0.25 (28.6%), nad common inscribed shares of Kazakhtelecom from \$12.00 to \$10.00 (16.7%). Growth in bid prices of BTAS had a positive impact on the index.

Dynamics of corporate bonds market indexes looked as follows (figures in parentheses indicate weekly changes): **KASE_BY – 10.30 (+1.73%)**, **KASE_BP – 117.41 (-0.23%)**, **KASE_BC – 104.99 (-0.44%)**. Last week KASE_BY decreased by 9.77%. Thus, after a sharp fall of KASE_BY on September 2 index has settled on a new balance level around 10.30 and its cahnge during this period was not clear.

Capitalization of companies, whose shares are being traded in the CS sector of KASE reached **\$841.2m** or KZT124.1bn as of September 12 at KZT/USD rate of the Exchange. This indicator fell by \$0.5m compared to previous week mainly due to a decrease in values of ATFBp and UTMKp (see above).

The capitalization of corporate bonds market of the Exchange by their best bid prices, which are regularly put out by the market-makers of the securities in the trade system of the Exchange, was fixed at **\$521.4m** or KZT76,943.6m as of September 12. In nominal terms (total face value of the bonds that were admitted into trade lists of KASE) is estimated at **\$569.9m** or KZT84,096.6m. The difference between these figures is explained by the fact that the trades in first issue bonds of Caspian Bank OJSC, first issue bonds of Kazakhtelecom, first issue bonds of LARIBA-BANK OJSC have not been opened yet, while they had been admitted to the KASE lists. Besides, second issue bonds of Temirbank OJSC were added into the listing category "A" in this week, which are not traded yet (see special bulleting below).

Data on the deals, bid and offer information in purchase and sale sector of the securities, as well as description of trade codes are given in the tables.

Results of the trades in shares from September 6 through 12

Issuer	Securities	Last price	WA price	Volume, #	USD per share, unless otherwise specified		
					Volume, USD th.	Best bid	Best offer
Almaty Kus OJSC	ALKS			0	0	0.1540	0.3080
Almaty Kus OJSC	ALKSp			0	0	0.0900	0.1700
Almaty Kus OJSC	ALKSp3			0	0	0.0680	0.0700
Astana-finance OJSC	ASFI	*10.000		0	0	5.000	10.000
AMB OJSC	ATFBp	6.810	6.810	5,000	34.1	6.810	6.810
Bank TuranAlem OJSC	BTAS	73.70		0	0	78.20	78.95
Bank CenterCredit OJSC	CCBN	1.1501	1.1501	45	0.1	1.1521	1.1501
Halyk Bank of Kazakhstan OJSC	HSBK	1.2200		0	0	0.6100	1.2200
KAZKOMMERTSBANK OJSC	KKGB	*0.4500		0	0	0.3000	0.5000
Corporation Kazakhmys OJSC	KZMS	*11.970		0	0	12.000	
Corporation Kazakhmys OJSC	KZMSp	*4.710		0	0	5.000	
Kazakhtelecom	KZTK	*12.000		0	0	12.000	14.000
Kazakhtelecom	KZTKp	*12.600		0	0	13.000	13.000
SHNOS OJSC	SYRG	1.6300		0	0	1.5000	
TEMIRBANK OJSC	TEBN	*1.095		0	0	1.360	6.800
TEMIRBANK OJSC	TEBNp			0	0	2.000	6.800
UKTMK OJSC	UTMK	35.000		0	0	20.000	40.000
UKTMK OJSC	UTMKp	25.0000	25.0000	4,457	111.4	25.0000	25.0000
VALUT-TRANZIT BANK OJSC	VTBN	2.5480		0	0	1.4909	2.8415
VALUT-TRANZIT BANK OJSC	VTBNp	2.3033		0	0	1.7620	3.1121
TOTAL	20			9,502	145.5		

Results of the trades in bonds from September 6 through 12

(% APR till maturity, unless otherwise specified)

Issuer	Code	Currency	Last	WA	Volume, th. USD	Best bid	Best offer
Almaty Kus OJSC	ALKSb2	USD	12.0035	12.0035	56.4	12.0035	12.0048
Astana-finance OJSC	ASFib1	USD	10.4985	10.4985	386.5	10.4985	10.5000
Bank TuranAlem OJSC	BTASb1	USD	11.5047		0.00	11.5031	10.9978
TuranAlem Finance B.V.	BTASe1	USD			0.00	11.9113	10.6591
Bank CenterCredit OJSC	CCBNb1	USD	11.4988		0.00	11.9869	11.0904
Halyk Bank of Kazakhstan OJSC	HSBKb	USD	11.0000		0.00	13.4998	8.4637
Karazhanbasmunai OJSC	KARMb1	USD	10.3243		0.00	11.2348	9.8914
KAZKOMMERTSBANK OJSC	KKGBe2	USD			0.00	11.1993	9.1988
DAGOK Kustanaiasbest OJSC	KZASb1	USD	11.7958		0.00	11.9981	10.9996
NOC Kazakhoil CJSC	KZOLb	USD	8.0975		0.00	8.1478	7.8546
NOTC KazTransOil CJSC	KZTOb	USD	8.2967		0.00	8.5003	8.1099
NOTC KazTransOil CJSC	KZTOe1	USD			0.00	8.7011	8.6236
RG Brands OJSC	RGBRb2	USD	12.4999		0.00	12.0000	11.0000
SHAHARMUNAIGAS OJSC	SMGZb1	USD	13.5107	13.5107	1,064.0	13.5107	13.5107
SHNOS OJSC	SYRGb1	USD			0.00	11.9953	8.5038
Temirbank OJSC	TEBNb	USD	10.4995		0.00	10.9002	10.4972
Kazakhstan Temir Joly	TMJLb2	USD			0.00	9.5000	8.8005
VITA LLP	VITAb2	USD	13.4915	13.4915	207.4	13.4915	13.4915
TOTAL	18				1,714.3		

Notes: bid and offer prices are given for the period; if no deals were made during reporting period (volume =0), the last price of successful trades will be given; marked by a star are indicative quotations in Quotation trade system of KASE unlike the bids submitted in regular trade mode, or the price of direct deals.

In the repo sector of CS 12 deals were made for a total of **\$3,142.3 th.** (KZT464.2m). Of this number, 8 deals (\$1,498.2 th.) were repo opening deals and 4 (\$1,644.1 th.) – closing deals. Volume of deals in previous week reached \$6,977.2 th. (KZT1,028.8m).

In all trade floors of KASE (including initial additional offering) a total of 22 deals were concluded in 1,875,514 securities amounting to **\$5,252.5 th.** (KZT775.5m). Last week volume of 30 deals was \$8,732.8 th. (KZT1,287.3m).

Secondary market

From September 11, 2001, by the decision of KASE Board, and on the basis of the Exchange council's decision of Sept 11, 01, second issue inscribed subordinated coupon bonds of Temirbank OJSC(Almaty, KZ2CUY11A407, \$5.9m, \$100, Sept 14, 01 - Sept 14, 08, semiannual coupon at 11% APR) were admitted to official list of the KASE securities under "A" category. The bonds were assigned a trade code **TEBNb2**. Quotation accuracy in the trade system of the KASE is set at **four decimal places** in U.S. dollars, which is recalculated in KZT at official rate of the National Bank of Kazakhstan on settlement date. The market-maker of TEBNb2 at the KASE is given to TuranAlem Securities LLP (Almaty) based on its application. Minimum volume of mandatory quotations is set for the market-maker at \$3,000 at face value. The trades in these bonds will be opened at the KASE **on September 24, 2001**.

More detailed information on these securities, as well as the issuer's characteristics are given in a special bulleting of the agency IRBIS.

SECTOR OF GOVERNMENT SECURITIES (GS)

In GS purchase and sale sector of KASE a total volume of 71 deals equaled **KZT2,871.4m** (\$19,445.7 th.). Last week the turnover did not exceed KZT2,158.1m with 44 deals made. Results of the week show that volume of deals remain low. In the opinions of IRBIS analysts, it is due to several factors. The main one is a low cost of the shortest money in repo sector, which is quite active lately. This money is actively borrowed by the banks, which use it both to work with U.S. dollars and to make transactions abroad (namely, to maintain short-term liquidity there). It should be noted that a very low yields of GS on secondary market lead to an outflow of bank capitals to adjacent sectors and to more liquid foreign markets. Financing of corporate clients plays an important role, which is more profitable now than investments into domestic GS. Growth of GS yields on primary market lately also forces the expansion of the secondary market, since mid-term bonds are bought by PAMC directly at the auctions from the issuers.

Based on weekly change in the turnover structure (see the table), only euronotes of Kazakhstan are in relatively great demand, though it is only due to restructuring of the portfolios conducted by Pension Assets Management Companies lately as a result of the appearance of new issues of corporate bonds, as well as the change in the strategy of the Ministry of Finance on primary market of MEOKAM. There is a certain interest in euronotes thanks to the acceleration of the tenge devaluation in last ten days of August.

Parameters of stock exchange transactions in GS from September 6 through 12

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, mln tenge discounted	Number of deals
	min	max	last deal	weighted average		
Discounted GS (KZT): notes, MEKKAM-12						
1.9% (4.8%) of purchase and sale sector's turnover						
less than 8	4.01	4.01	4.01	4.01 (-)	50.0	1
92 - 181	7.99	7.99	7.99	7.99 (-)	4.9	1
Total					54.9 (103.8)	2 (5)
Coupon GS (KZT): MEOKAM-24, 36						
38.4% (61.4%) of purchase and sale sector's turnover						
less than 730	7.48	11.31	7.52	8.43 (7.77)	531.13	17
731 - 1,095	8.00	10.16	9.07	8.92 (9.07)	570.96	21
Total					1,102.1 (1,325.9)	38 (24)
Coupon GS (USD): VKU						
3.9% (0.8%) of purchase and sale sector's turnover						
731 - 1,095	8.37	8.37	8.37	8.37 (8.36)	112.60	1
Total					112.6 (17.0)	1 (2)
Euronotes of Kazakhstan (USD)						
52.6% (25.8%) of purchase and sale sector's turnover						
*380	5.60	5.60	5.60	5.60 (5.73)	199.6	1
**1,116 - 1,122	6.60	6.90	6.90	6.73 (6.73)	542.8	18
***2,039 - 2,045	6.97	7.18	7.18	7.07 (7.04)	766.5	10
Total					1,509.0 (556.8)	29 (12)
Supranational bonds (USD)						
3.2% (7.2%) of purchase and sale sector's turnover						
179	4.14	4.14	4.14	4.14 (3.84)	92.8	1
Total					92.8 (154.6)	1 (1)
GRANDTOTAL					2,871.4 (2,158.1)	71 (44)

Notes: for euronotes (* - second issue, ** - third issue, *** - fourth issue) volumes of the deals are calculated at weighted average USD/KZT rate of the Exchange, over domestic devaluation indexed bonds - official exchange rate; yield over coupon bonds are shown at semiannual basis.

By the results of the week the dynamics of the KASE indexes that indicate the condition of the market of Kazakhstani sovereign debt at the Exchange is as follows (in parentheses - weekly changes): **KASE_EY** – equaled **6.75 (-0.83)**; **KASE_EP** – 129.56 (+0.23%); **KASE_EC** – 113.17 (+0.11%). Last week **KASE_EY** decreased by 0.63. Thus, some growth of the demand for euronotes had its reflection in **KASE_EY** index, which, after a long stabilization, is gradually going down. However, at the end of this period it seemed as if the index is stabilizing at new levels and even may grow soon.

In GS repo sector 103 deals for a total of KZT12,563.5m were made during the period. Of this number 45 deals (for KZT5,536.4m) were repo opening deals and 58 (KZT7,027.0m) were repo closing deals. Last period the turnover of this market sector reached KZT14,136.7m. After closing of the trades on September 12 total amount of opened repo equaled **KZT6,220.4m**. Dynamics of repo rates is given in the table at the beginning of this review.

Total of 174 deals amounting to **KZT15,434.8m** were made in **government securities on all trade floors of KASE** during the week (purchase-sale and repo sector). A week ago volume of 182 deals was KZT16,294.8m. This week **the proportion of the stock market turnover** in total volume of deals on Kazakhstani secondary market for GS for comparable operations equaled **96.4%**, for last week it was 87.2%.

INFORMATION ON COMPANIES

KAZKOMMERTSBANK OJSC (Almaty) provided the KASE with its financial statements for the I half of 2001: balance sheet and income statement.

Comparable figures of financial and economic activities of **KAZKOMMERTSBANK OJSC** in I half of 2001

(in th. KZT, unless otherwise specified)

Ratio	As of July 1 '00	As of July 1 '01	Change, %
Authorized capital (nominal)	2,942,200	2,942,200	0.0
Shareholders' equity	13,831,198	16,985,346	+22.8
Total assets	72,066,077	158,327,847	+119.7
Liquid assets	18,056,032	37,856,387	+109.7
Loans granted	42,412,613	106,831,370	+151.9
Liabilities	58,234,879	141,342,501	+142.7
Loans and deposits (including bonds)	55,596,118	129,296,660	+132.6
Operating income	7,037,831	10,184,664	+44.7
General expenses	4,902,290	7,789,850	+58.9
Net income	2,135,541	2,394,814	+12.1
Book value of a share, KZT	48.46	59.51	+22.8

Compared to I half of 2000 growth took place in: **shareholders' equity** of the bank – by KZT3.2bn (final amount of undistributed income by KZT3.0bn, accumulations in the funds and reserves – by KZT187.1m);

assets – by KZT86.3bn (growth of loan portfolio equaled KZT64.4bn, correspondent accounts – by KZT14.4bn, securities portfolio – by KZT1.8bn); **liabilities** – by KZT83.1bn (growth of deposits by KZT58.5bn, liabilities to banks and other organizations – by KZT8.5bn, volume of issued bonds – by KZT6.7bn); **operating income** – by KZT3.1bn due to an increase in loan portfolio; **expenses** – by KZT2.9bn. **Net income** of KAZKOMMERTSBANK OJSC in the I half of 2001 equaled KZT2.4bn, or KZT259.3m more than in similar period of last year.

Dynamics of some of the bank's indicators for 2001 on a quarterly and non-accruing sum basis

(in th. KZT, unless otherwise specified)			
Indicator	I-2001	II-2001	Change, %
Deposits	6,368,144	31,457,210	+394.0
Operating income	4,829,154	5,355,510	+10.9
Net income	1,111,477	1,283,337	+15.5

Also, KAZKOMMERTSBANK OJSC sent official notification to the KASE, stating that on September 6, 2001 it has repaid the principal and the last coupon on first issue domestic bonds (KZ72KA7B9A11; official list of KASE securities of category "A"; KKGBb; Sept 6, 99 - Sept 6, 01; \$30m; \$100.00; semiannual coupon at 10% APR; current market return – 7.00% APR). Based on the bank's information, actual repayment amount equaled **KZT424,553,860.50** as specified in bond issue terms. Maturity volume – KZT404,337,010.00 (27,370 bonds) and coupon – KZT20,216,850.50. The bonds are serviced at KZT/USD rate of the Exchange effective on the payment date.

The bonds of KAZKOMMERTSBANK OJSC were admitted to the KASE official list on August 31, 1999. The first trades were held on September 6, 1999. During the whole circulation period at the KASE in purchase-sale sector a total of 9 deals were made (23,960 bonds) amounting to \$2,403,195.20. Yield to maturity varied from 7.00 to 14.33% APR. The last deal was made on February 8, 2001 at the minimum rate. Brokers did not use the bonds in repo sector.

Almaty Merchant Bank OJSC (AMB OJSC, Almaty) provided the KASE with its financial statements for the I half of 2001: balance sheet and income statement.

Comparable figures of financial and economic activities of AMB OJSC in I half of 2001

(in th. KZT, unless otherwise specified)			
Ratio	As of July 1 '00	As of July 1 '01	Change, %
Authorized capital (paid)	856,350	1,611,100	+88.1
Shareholders' equity	1,638,609	2,333,092	+42.4
Total assets	16,295,147	24,546,105	+50.6
Liquid assets	8,150,787	8,498,557	+4.3
Loans granted (net)	6,580,958	13,316,890	+102.4
Liabilities, total	14,656,538	22,213,013	+51.6
Loans and deposits	12,895,481	18,735,182	+45.3
Issued bonds	–	678,149	–
Operating income	1,550,036	2,273,369	+46.7
General expenses	1,403,561	1,923,762	+37.1
Net income	146,475	349,607	+138.7
Book value of a share, KZT	1,052,414.26	1,448.14	-99.9

Compared to I half of 2000 growth took place in: **shareholders' equity** of the bank – by KZT694.5m as a result fo a floatation of the 6th issue of shares for KZT754.7m, increase in the funds and reserves – by KZT104.4m and decrease in final amount of undistributed income by KZT164.6m; **assets** – by KZT8.3bn (growth of loan portfolio equaled KZT6.7bn); **liabilities** – by KZT7.6bn (growth of call deposits by KZT4.6bn, time deposits decreased by KZT140.8m); **operating income** – by KZT723.3m; **expenses** – by KZT520.2m. **Net income** of AMB OJSC in the I half of 2001 equaled KZT349.6m, or KZT203.1m more than in similar period of last year.

Dynamics of some of the bank's indicators for 2001 on a quarterly and non-accruing sum basis

(in th. KZT, unless otherwise specified)			
Indicator	I-2001	II-2001	Change, %
Deposits	8,039,474	-3,978,099	-149.5
Operating income	1,005,862	1,267,507	+26.0
Net income	161,606	188,001	+16.3

KASE NEWS

By the decision of the Board of the Kazakhstan Stock Exchange (KASE), dated September 11, 2001, and based on the decision of the Exchange council of the same date, **second issue coupon bonds of local executive body of Astana** (KZZ2KY010026) were admitted to the Exchange. The securities were assigned a

trade code **ASU012.002**. The quotation accuracy in the trade system of the KASE is set at **four decimal places** in U.S. dollars, which is recalculated in KZT at official rate of the National Bank of Kazakhstan on settlement date. The market-maker of the bonds at the KASE is given to **Fondovyi Servis CJSC** (Almaty) based on its application. Minimum volume of mandatory quotations is set for the market-maker at \$3,000 at face value.

The bonds were issued in non-documentary form at \$100 face value. Announced issue volume – **KZT916.2m**. Circulation term – **1 year**. Coupon rate is determined by the results of the initial offering auction and paid semiannually.

The register is maintained by the Central Depository of Securities CJSC (Almaty). Financial consultant of the issuer – Fondovyi servis CJSC. Legal advisor of the issuer – KAZAKHSTAN LEGAL GROUP LLP. Financial agent of the issuer – Kazakhstan Stock Exchange CJSC (Almaty).

The beginning date of the trades will be announced.

Prepared by the agency IRBIS

Second issue bonds of Temirbank OJSC passed the KASE listing under “A” category

Special issue based on the information of Temirbank CJSC, TuranAlem Securities LLP, Kazakhstan Stock Exchange (KASE), and agency IRBIS

From September 11, 2001, by the decision of KASE Board, and on the basis of the Exchange council's decision of Sept 11, 01, second issue inscribed subordinated coupon bonds of Temirbank OJSC (Almaty) were admitted to official list of the KASE securities under “A” category.

BONDS

Type of securities: Incribed subordinated coupon bonds, indexed towards KZT/USD exchange rate fluctuations
Security: no security
International identification number: XS0132391938
Credit ratings of the issue: absent
Credit ratings of the issuer: B/B/D/5T from Fitch Ratings Limited
National identification number: KZ2CUY11A407
Issue number in state register: A40
Register maintained by: Kazregistr LLP (Almaty)
Issue registration date: Sept 4, 01
Issue volume in US dollars: 5,900,000
Issue volume in bonds: 59,000
Circulation starts on: Sept 14, 01
Offering term: 7 years from the circulation starting date
Circulation term: 7 years
Maturity date: Sept 14, 08
Coupon rate: 11.0% APR
Coupon payments dates: March 14 and September 14 annually
Time basis for all payments: 30/360
Register fixing term for coupons: 30 days prior to payment date
Register fixing date for coupons: February 14 and August 14 annually
Register fixing term for maturity: 10 days prior to maturity
Register fixing date for maturity: Sept 4, 08
Servicing of the issue: in KZT at the rate of the National Bank of Kazakhstan on payment date
Issue financial consultant: TuranAlem Securities LLP (Almaty)
Initial offering agent: TuranAlem Securities LLP (Almaty)
Admission date to KASE lists: Sept 11, 01
Date of first trades: Sept 24, 01
Trade code at KASE: TEBNb2
Accuracy of quotations: 4 decimal places
KASE market-maker: TuranAlem Securities LLP (Almaty)
Minimal volume of mandatory quotations: \$3,000

If any of the coupon dates or maturity date falls on week-end or holiday, then the coupon or principal amount is paid on the next business day. In this case no coupon is accrued for week-end or holiday, and the bondholder has no right to request coupon or any compensation for such payment delays.

The bonds being issued are subordinated debt, which, based on Regulations on prudential norms of the National Bank of Kazakhstan, dated May 23, 1997 #219, should have an initial maturity of at least 5 years and is added to supplementary capital, and in each subsequent years 20% of subordinated debt's initial value is subtracted from the shareholders' equity.

Based on the issuer's information, the funds raised through subordinate debt issue are to be used for general corporate tasks, increase in trade financing and expansion of banking services.

ISSUER

The agency IRBIS (Almaty) presents the data on the issuer, taken from the conclusion of the KASE Listing commission. The management of Temirbank OJSC is fully responsible for the reliability of the information presented to the Exchange. The agency IRBIS did not recheck the data.

General information

Date of initial state registration – March 26, 1992. The date of last re-registration – March 21, 1996. Legal status – open joint stock company. Primary activities – banking services. The legal and actual address of the head office – 68/74, Abay Ave., Almaty, 480008, Kazakhstan, tel +7 (3272) 587888, 507755, fax +7 (3272) 506241, telex 251855 TEMIR, email: pravlenie@temirbank.kz. Internet address – www.temirbank.com.

The number of bank employees as of April 1, 2001 is 1,138, including 327 at head office, 811 at branch offices.

Licenses

Temirbank OJSC has following licenses:

- State license #107 to conduct banking transactions specified in banking legislature in tenge and foreign currencies, dated February 11, 2000;
- State license #0401100243 to engage in brokerage and dealing activities on stock market and with the right to handle client accounts as a nominal holder, dated April 21, 2000 (first category license);
- State license #20060006 to engage in custodian activities on the stock market, dated February 13, 1998;
- State license of the State security service under the Ministry of Internal Affairs #000989 to engage in guarding activities: protection of humans lives and health, property security, including during its transportation, dated May 4, 1998.

Credit ratings

Based on the documents presented by the bank to the KASE, in December 2000 international rating agency Fitch Ratings Limited confirmed ratings of Temirbank OJSC at long-term “B”, short-term “B”, individual “D”, support - “5T”. Long-term forecast of the ratings is set by the agency as “negative”. More recent information is not available.

History

Temirbank OJSC, originally – joint stock commercial railroad bank Temirbank (JSRB Temirbank), was founded on March 26, 1992 as a specialized bank for financial servicing of Kazakhstan railroads and related enterprises. Founders of JSRB Temirbank are 20 large state enterprises such as Administration of Alma-Ata, Western Kazakhstan, Tselinaya railroads, Akmola flying order, Alma-Atagiprotrans Institute and others. In March 1996 the bank was re-registered with justice bodies as Temirbank OJSC. By the resolution of the National Securities Commission of Kazakhstan of August 11, 1999 Temirbank OJSC was given a status of people’s open joint stock company.

Characteristics of activities

Primary activities of the bank is conducting banking transactions aimed at satisfying the needs of the clients. Now, there are three main lines of business of the bank: corporate banking (with legal entities), retail banking (individuals) and stock market.

For corporate clients the bank offers special services: assigning a personal manager, servicing the clients at special tariffs, consulting, legal services, opening of revocable credit lines etc.

Retail banking includes the most successful products as time deposits, consumer financing, housing bills, settlement servicing. From 2000 the bank offers such services as its own travelers checks and safe keeping of the money, valuables, documents.

The bank is active on interbank markets, on GS and CS markets, pension assets and insurance markets.

Temirbank OJSC has 25 branches and 19 settlement centers servicing the legal entities and individuals in all regions of Kazakhstan.

The bank informs that in order to improve the quality and increase the capacity of its network the bank finished the setup of corporate network, which united all branches into one IBSO system. It allowed to automate the main part of banking transactions and join all branches of the bank into a single network for around the clock data interchange.

Temirbank OJSC maintains correspondent relations with a number of foreign banks: USA (ABN AMRO Bank N.Y., Citibank N.A., Bankers Trust Co), Germany (Commerzbank AG, Deutsche Bank AG, Dresdner Bank AG), France (Credit Commercial de France), Austria (ING Bank Vienna), as well as Russia (CB Dialog-Optim, Alfabank OJSC, Savings bank of Russia, Bashkreditbank OJSC and others) using an international settlement system SWIFT.

The bank has stakes in: Bank TuranAlem OJSC – KZT6,747.3 th. (stake in authorized capital – 0.05%), Central Depository of Securities OJSC – KZT200.0 th. (2.5%), Association of Kazakhstani financiers ULE – KZT675.0 th. (16.7%); a member of Kazakhstani fund for guarantee (insurance) of individuals’ deposits CJSC (certificate #0000006 of February 16, 2000), Kazakhstan Stock Exchange CJSC, Central Depository of Securities CJSC, Association of Kazakhstani financiers ULE, Association of Kazakhstani banks, Big payments system of Kazakhstani interbank clearing center (KCIC).

Temirbank OJSC has credit ratings from Fitch-IBCA: long-term – B and short-term – B.

In June 2000 the bank was entered by the National Bank into the list of the second tier banks whose certificates of deposit and deposits can be used to place the pension assets of Accumulative Pension Funds.

Capital, securities, shareholders

As of July 1, 2001, announced authorized capital of Temirbank OJSC was **KZT1.4bn**, paid authorized capital (less treasury stock) was KZT1,378,423,000.00. The National Securities Commission of Kazakhstan (NSC) has registered a total of 10 issues of the company's shares, while the first six issues have been cancelled. Under current issue 1,390,000 common inscribed (NIN - KZ1C00260413) and 10,000 preferred inscribed (NIN - KZ1P00260418) shares were issued at KZT1,000.00. The issue type is non-documentary. The register is maintained by Kazregistr LLP (Almaty, license #0406200022 of Aug 3, 99).

# in State register	Issue date	Amount		Issue volume, KZT
		common shares	preferred shares	
A0026-6	26.04.96	249,522,000	478,000	250,000,000,000
A0026-7	27.06.97	245,478,000	4,522,000	250,000,000,000
A0026-8	23.02.98	495,000,000	5,000,000	500,000,000,000
A0026-9	29.07.99	400,000,000	–	400,000,000,000

Based on the charter of Temirbank OJSC, dividends are set by the Board of directors and approved by the general shareholders meeting; to preferred shares dividends are set at 25% of the face value. In 1997 dividends were paid amounting to KZT50,750 th., of which to common shares – KZT49,500 th. (KZT100 per share), to preferred shares – KZT1,250 th. (KZT250 per share). In 1998 dividends amounted to KZT92,738 th., of which to common shares – KZT90,453 th. (KZT100 per share), to preferred shares – KZT2,285 th. (KZT250 per share). In 1999 dividends amounted to KZT12,012 th., of which to common shares – KZT9,513 th. (KZT10 per share), to preferred shares – KZT2,499 th. (KZT250 per share). In 2000 dividends to preferred shares amounted to KZT2,500 th. (KZT250 per share), no dividends were paid to common shares.

Common and preferred shares of Temirbank OJSC were admitted to official list of the KASE under category "A" on October 8, 1998. From the admittance date through September 10, 2001 a total of 12 deals were made in 31,146 common shares amounting to \$453.9 th., and no deals were made in preferred shares. The specialist of bank shares is TuranAlem Securities LLP (Almaty). On September 12, 2001 common shares were quoted at \$1.360/\$6.800, preferred shares - \$2.000/\$6.800. Based on these figures the market capitalization of Temirbank OJSC is estimated by the Exchange based on bid prices at \$1.870m.

First issue coupon bonds of Temirbank OJSC (trade code - TEBNb; NIN - KZ75KAMJ8A57; \$100.00; \$5.0m; Aug 19.00 - Aug 19.05; 10.5% APR) passed the listing of the KASE under category "A" on August 7, 2000. From the admittance date through September 10, 2001 a total of 14 deals were made in 40,800 bonds amounting to \$4.1m. The market-maker of bonds at the KASE is Bank TuranAlem OJSC. The register is maintained by Kazregistr LLP (Almaty).

As of July 1, 2001, based on the extract from the shareholders register, following are the owners of more than 5% stake in authorized capital of Temirbank OJSC:

Shareholder	Stake in paid authorized capital,	
		%
Ilga LLP (Almaty, Kazakhstan)		8.73
MAILAN LLP (Almaty, Kazakhstan)		8.64
Tekhnomarket LLP (Almaty, Kazakhstan)		8.20
Medservice Plus LLP (Almaty, Kazakhstan)		8.00
AIKHAL LLP (Almaty, Kazakhstan)		7.75
RUZA LLP (Almaty, Kazakhstan)		7.74
IGRIM LLP		6.70
SOGDA LLP		6.53
Others		37.71
Total		100.00

Financial indicators

Temirbank OJSC presented following financial statements which were made in compliance with the Kazakhstani Accounting Standards (KAS), as well as banking legislature, instructions and regulations of the National Bank of Kazakhstan: balance sheet, income and cash flow statements for 1997-2000, as well as intermediary financial statements for two quarters of 2001.

Financial ratios of Temirbank OJSC presented by the issuer (th. KZT, unless otherwise specified)

Ratio	As of	As of	As of	As of
	Jan.1, 99	Jan.1, 00	Jan.1, 01	July 1, 01
Authorized capital (less treasury stock)	991,047	991,047	1,374,835	1,378,423
Shareholders' equity	1,406,048	1,489,633	2,132,317	2,011,916
Total assets	5,467,137	9,346,572	14,045,393	14,517,197
Liquid assets*	2,582,514	3,097,788	4,866,584	4,481,434
Loans granted (net)	2,300,398	5,472,301	8,409,594	8,924,445
Loans and deposits	3,999,803	7,031,915	11,430,767	12,144,442
Issued bonds	–	–	721,055	731,035
Operating income	1,323,562	1,753,394	3,074,011	1,721,894
General expenses	1,114,868	1,654,707	2,768,149	1,547,218

Ratio	As of	As of	As of	As of
	Jan.1, 99	Jan.1, 00	Jan.1, 01	July 1, 01
Net income	208,694	98,687	305,862	174,676
Earnings per share (EPS), KZT	210.40	98.05	222.27	126.72**
Book value of a share, KZT	1,418.75	1,503.09	1,550.96	1,459.58
Return on assets (ROA), %	3.8	1.1	2.2	1.20
Return on equity (ROE), %	14.8	6.6	14.3	8.7

* – total of liquid assets was calculated based on the instructions of the National Bank of Kazakhstan;

** – earnings per share is determined without dividends to preferred shares.

International auditing of the Temirbank OJSC financial statements from 1997 has been made based on International Accounting Standards. In 1997 the auditing was carried out by Price Waterhouse (Almaty, Kazakhstan), in 1998 - 2000 – by Arthur Andersen (Almaty, Kazakhstan), in first half of 2001 – by PricewaterhouseCoopers (Almaty, Kazakhstan).

Financial ratios of Temirbank OJSC based on auditor's data (th. KZT, unless otherwise specified)

Ratio	As of	As of	As of	As of
	Jan.1, 99	Jan.1, 00	Jan.1, 01	July 1, 01
Authorized capital (less treasury stock)	995,526	995,526	1,379,314	1,382,902
Shareholders' equity	1,317,820	1,292,359	1,754,627	1,905,532
Total assets	5,403,488	9,176,708	13,614,431	14,460,210
Liquid assets	3,000,657	3,328,955	4,803,250	4,481,928
Liabilities of credit institutions	2,217,484	2,126,095	1,756,129	2,133,824
Loans and advances to clients	2,020,813	5,198,564	8,026,721	8,834,209
Payables to credit institutions	1,389,843	2,344,158	2,515,824	1,889,370
Payables to clients	2,635,146	5,443,591	8,428,482	9,566,261
Issued bonds	–	–	721,055	731,035
Net income	188,950	73,957	70,491	147,941
Book value of a share, KZT	1,323.74	1,298.17	1,272.10	1,377.92
Earnings per share (EPS), KZT*	189.41	72.51	49.65	107.76*
Return on assets (ROA), %	3.5	0.8	0.5	1.0
Return on equity (ROE), %	14.3	5.7	4.0	7.8

* – earnings per share is determined without dividends to preferred shares.

Based on auditing reports, financial statements of Temirbank OJSC give true and reliable picture of the bank's financial condition in all essential aspects as of December 31 1998-2000, as well as its results and cash flows in the years ended at these dates based on International Accounting Standards.

Income and expenses

Operating income of Temirbank OJSC were tend to grow steadily in 1998-2000 and first half of 2001. In 1998 operating income grew by 27.0% (KZT281.5m), in 1999 – by 32.5% (KZT429.8m), in 2000 – by 75.3% (KZT1.3bn), in I half of 2001 total amount of income reached KZT3.1bn, or KZT373.3m (27.7%) more than in similar period of 2000.

Total interest income in 1999 equaled KZT742.4m, a 5.8% increase to 1998, and in 2000 – KZT1.6bn (114.3% to 1999), in I half of 2001 – KZT981.5m (48.7% to similar period of 2001). Interest income is mainly formed by the income received from loans granted to clients (legal entities), with their proportion constantly increasing from 80.0% in 1999 to 84.1% as of July 1, 2001. Total income from loans granted to clients equaled KZT593.8m in 1999, and KZT1.3bn in 2000, in I half of 2001 – KZT825.4m.

Non-interest income is mainly formed by commissions, whose proportion is also constantly increasing within non-interest income. Commissions reached KZT404.6m (44.2% growth relative to 1998), in late 2000 – KZT578.6m (43.1% to 1999), as of July 1, 2001 – KZT293.3m (28.6% to similar period of 2000). Most of non-interest income are derived from financial transactions, which reached KZT222.9m in 1998, KZT218.6m in 1999, KZT443.09m in 2000 and KZT101.1m as of July 1, 2001.

Expenses of Temirbank OJSC equaled KZT1.1bn in 1998, and KZT1.7bn in 1999, KZT2.8bn in 2000, in I half of 2001 – KZT1.5bn. Increase in expenses in 1999 and 2000 was mostly attributable to an increase in bank personnel expenses due to opening of new branches and settlement centers (in 1999 two branches were opened and 1 settlement center, in 2000 – 11 settlement centers), as well as increase in interest payments on deposits as a result of an increase in numbers of deposits (in late 1999 the deposits equaled 214,127, as of July 1, 2001 – 228,601).

Assets

Assets of Temirbank OJSC grew by KZT10.8bn in 1998-2000 or 4.3 times. As of July 1, 2001 they were at KZT14.5bn. Stable growth of bank assets was due to a growth in profitable assets, whose volume equaled KZT4.5bn as of Jan 1, 2000 (88.9% growth to 1999), as of Jan 1, 2001 – KZT12.5bn (47.1% to 1999), as of July 1, 2001 – KZT12.7bn. The growth of Temirbank OJSC assets in 1999 by 71.0% and 50.3% in 2000, and

3.4% in I half of 2001 was a result of increase in commercial loans and securities portfolios, amounts in correspondent accounts in National Bank of Kazakhstan and in other foreign banks.

Loan portfolio. Loans to clients (net) constitute the most of the assets of Temirbank OJSC: 42.1% (KZT2.4bn) of total assets in 1998, 58.5% (KZT5.5bn) in 1999, 59.9% (KZT8.4bn) in 2000, 61.5% (KZT8.9bn) as of July 1, 2001. In 2000 and as of July 1, 2001 about 90% of loans was granted to corporate clients, and 10% is consumer loans. Most of the financing was directed to wholesale trade (36.2% in 2000 and 34.1% as of July 1, 2001), agriculture and food industry (21.1% and 28.9%), chemical and mining (10.0% and 3.8%). Main financing is made on short-term basis: in 1998 – KZT2.4bn or 95.2%, in 1999 – KZT4.8bn or 84.2%, in 2000 – KZT6.7bn or 75.0%, as of July 1, 2001 – KZT7.9bn or 82.4%. The proportion of mid-term and long-term loans increased from 4.8% to 17.6% during this time.

Data on loan portfolio quality of Temirbank OJSC

Loan portfolio	1998		1999		2000		As of July 1, 01	
	m KZT	%	m KZT	%	m KZT	%	m KZT	%
Standard	1,681.8	66.9	3,499.8	61.1	3,806.4	42.5	4,817.9	50.0
Substandard	579.4	23.0	1,954.9	34.2	3,854.7	43.0	4,121.1	42.8
Unsatisfactory	68.7	2.7	143.0	2.5	924.3	10.3	291.7	3.0
Doubtful	34.1	1.4	28.8	0.5	36.3	0.4	110.0	1.1
Bad debt	150.1	6.0	97.4	1.7	338.9	3.8	295.0	3.1
Total	2,514.1	100.0	5,723.3	100.0	8,960.7	100.0	9,636.7	100.0

Data on loan provisions of Temirbank OJSC

Loan portfolio	1998		1999		2000		As of July 1, 01	
	m KZT	%	m KZT	%	m KZT	%	m KZT	%
Standard	–	–	–	–	–	–	–	–
Substandard	32.2	15.1	110.5	44.0	250.3	30.5	291.9	41.0
Unsatisfactory	14.3	6.7	29.0	11.6	214.5	26.1	69.8	9.80
Doubtful	17.0	8.0	14.1	5.6	18.2	2.2	55.5	7.8
Bad debt	150.1	70.2	97.4	38.8	338.9	41.2	295.0	41.4
Total	213.7	100.0	251.0	100.0	822.0	100.0	712.2	100.0

Increase in provisions in 1998-2000 reflects the increase in volume of loan portfolio 3.6 times, as well as increase in bad debt from 10.1% to 14.5%. As of July 1, 2001 standard and substandard loans accounted for 92.8% of loan portfolio, the proportion of bad debt fell to 7.2% in I half of 2001.

To lower the credit risk, Temirbank OJSC requires a collateral from the borrowers. It accepts cash, guarantees, securities, real estate, consumer goods and major assets as a collateral. As of July 1, 2001 unsecured loans accounted for 1.3% of loan portfolio.

Sources of financing

Basic financial sources for clients of Temirbank OJSC in 1998-2000 were deposits of clients, funds raised from other banks and finance organizations and securities of bank.

According to the information of Temirbank OJSC clients' deposits domain in the structure of financial sources: 1998 – KZT3.7bn or 92.7%, 1999 – KZT6.4bn or 82.4%, 2000 – KZT8.9bn or 78.4%, by July 01, 2001 – KZT10.2bn or 83.5%. The growth of volume of deposits is due to increase of quantity of clients' deposit accounts in 1999 by 37.9 th (205.4 th), in 2000 – to 8.7 th (214.1 th, where 205.8 th – accounts of natural persons and 8.3 th – corporate accounts), by July 01, 2001 – to 14.5 th (228.6 th, where 216.0 th – accounts of natural persons and 12.6 th – corporate accounts). At the same time there is a tendency of clients' deposits portion decrease and increase of financial portion by the way of leasing in other banks and organizations from 6.3% in 1998 up to 10.1% by July 01, 2001, in the structure of finance funds.

Structure of Temirbank OJSC finance sources

	Jan 01, 1999		Jan 01, 2000		Jan 01, 2001		July 01, 2001	
	KZT mln	%	KZT mln	%	KZT mln	%	KZT mln	%
Clients' deposits	3,735.0	92.7	6,403.9	82.4	8,954.2	78.4	10,184.3	83.5
Sources of NBRK	5.9	0.1	5.9	0.1	5.9	0.1	140.5	0.1
Sources of other banks and organizations	258.8	6.4	622.0	8.0	1,580.1	13.8	1,088.5	10.0
Securities	–	–	–	–	849.4	7.4	731.0	6.0
Banks' accepts	31.1	0.8	736.1	9.5	37.2	0.3	47.1	0.4
Total	4,030.9	100	7,768.0	100	11,426.9	100	12,191.5	100

Correlation of time deposits and call deposits has considerably changed in total volume of deposits. According to the financial report in 1998 the portion of fixed period deposits and demand deposits totaled 27.2% and 72.8% respectively, in 1999 – 28.0% and 72.0%, in 2000 – 46.8% and 53.2%, by Aug 01, 2001 – 54.0% and 45.9%. In 2000 the weighted average rate on fixed period deposits in tenge and foreign currency for corporate client totaled – 10.46% and 7.62% respectively, for natural persons – 9.08% and 13.56%.

In August of 2000 Temirbank OJSC issued domestic coupon bonds with 5 years maturity term.

Since 1999 Temirbank OJSC raises borrowed current assets from international financial institutes.

Credit lines

Credit line of the European bank of reconstruction and Development (EBRD). Temirbank OJSC is the participant of small and medium business development program. This program was found by the initiative of EBRD and small enterprise support fund (under the Governmental guarantee). Temirbank OJSC and Small business support fund concluded agreements total for \$1,592.5 th, term from 2 up to 4 years, under 5% APR, in the frame of this program. By June 30, 2001 the used sum totaled 1,592.5 th US dollars.

The credit agreement was signed on April 13, 2000. The agreement considers financing of small and medium business program. Total financing – 1.0 mln dollars, term 3.5 years, under 10.53% APR. By June 30, 2001 the used sum totaled 1.0 mln US dollars.

Credit line of the Asian bank of development (ABD). In the frame of this credit agreement, which was concluded by Temirbank OJSC and ABD on July 01, 2001 the back up credit line was set, total for 2,120.0 th US dollars, term 4 years, percentage rate from 5% up to 7.3% APR. By June 30, 2001 the used sum totaled 2,005.7 th of US dollars.

Credit lines of German banks. To develop merchant relations between the Republic of Kazakhstan and Germany to finance different projects in the territory of Kazakhstan Temirbank OJSC concluded framework agreements with German banks for partial finance of export contracts on goods delivery and/or exporters services operating in the territory of Germany under the guarantee of HERMES insurance agency. Temirbank OJSC concluded the framework agreement with Dresdner bank AG. The back up credit line was set within this agreement total for EUR1,267.5 th, 5 years term, under 5.586% APR by June 16, 2001 (to finance Temirbank OJSC's client contract regarding the forward and installation of brewery.)

Besides, Temirbank OJSC concluded the agreement with KBC Bank NV total for EUR3,685.2 th, 5 years term, 5.379% APR – percentage rate by June 30, 2001. By June 30, 2001 the used sum totaled EUR3,685.2 th. This credit agreement is provided by the guarantee of O.N.D. Belgium insurance agency.

Temirbank OJSC and DG Bank AG will concluded the framework agreement till Dec 31, 2001.

Ratio of assets and liabilities and equity based on their terms as of July 1, 2001 (m KZT)

	Till 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Cash	1,434.9	0	0	0	0	1,434.9
Deposits in other banks	1,897.9	234.4	0	0	0	2,132.3
Securities	29.3	337.1	14.7	24.9	513.1	919.1
Loans to clients, gross	1,276.1	812	2,270.2	3,579.8	1,698.6	9,636.7
Investments	0	0	0	0	7.6	7.6
Others	0	0	0	0	386.6	386.6
Total assets	4,638.2	1,383.5	2,284.9	3,604.7	2,605.9	14,517.2
Liabilities to Government and National Bank	3.2	8.7	20.6	25.2	82.8	140.5
Liabilities to other banks	0	18.3	0	14.6	1,055.5	1,088.4
Client deposits	5,084.3	2,301.1	512.7	1,990.8	295.5	10,184.4
Issued bonds	0	0	0	0	731.0	731.0
Other liabilities	332.2	4.1	1.0	9.7	14.0	361.0
Total liabilities	5,419.7	2,332.2	534.3	2,040.3	2,178.8	12,505.3

Shareholders' equity. Shareholders' equity of Temirbank OJSC, which is calculated based on the method of the National Bank of Kazakhstan, increased by KZT144.6m, or 10.1% in 1998-2000 as a result of core capital increase caused by increase in net income of reporting period. In 2000 increase in shareholders' equity by KZT648.6m or 41.2% was due to an increase in core capital increase by KZT470.4m mainly due to the floatation of the 10th issue of shares and increase in supplementary capital by KZT178.2m caused by an increase in net income of reporting period. In I half of 2001 shareholders' equity fell by KZT99.5m or 4.5% relative to 2000 because net income of the I half of this year was added into II level of shareholders' equity calculations (net income in I half of 2001 equaled KZT174.7m, which exceeds similar figure of last year by KZT64.4m).

Following are comparisons of the bank's figures with average figures of three comparable banks. Average figures were calculated by financial statements presented by the banks to the Exchange, who are the members of the Exchange holding "B" category (right to participate in currency trades).

Comparable data with other commercial banks as of July 1, 2001 (th. KZT, unless otherwise specified)

Title	Shareholders' equity	Assets	Net income	k1 (min 0.04)	k2 (min 0.08)	k4 (min 0.20)	ROA, %	ROE, %
Temirbank OJSC	2,208,979	14,732,632	263,196	0.12	0.16	0.82	1.79	11.91
Average value	2,848,066	25,927,195	277,608	0.07	0.14	0.69	1.07	9.67

Prepared by the agency IRBIS