

PRESS RELEASE

Financial results of Eurasian Bank JSC for nine months of 2012

Almaty, November 09, 2012 – Eurasian Bank JSC presented its financial results for the past nine months of 2012 based on unaudited and unconsolidated financial statements. Over a period of several months the Bank continues to show the successful growth in all key highlights that characterizes it as a financially sound and universal banking institution.

The dynamics of Income Statement financial highlights for nine months of 2012 compared to the same period of 2011 is as follows:

- **Net income** totaled KZT **6.3** bln, which exceeds net income for the same period of the previous year by **54.9%**;
- **Net interest income** grew by **42.8%** to KZT **14.8** bln;
- **Net interest margin** (NIM) increased for this year by **30.8%**, and amounted to **6.8%**;
- **Return on assets employed** (ROAE) totaled **22.8%**;

Net Income of the Bank for nine months of 2012 totaled KZT **6.3** bln, which is 1.5 times greater than the same figures for the previous 2011. Net income growth was due to increase in lending, as well as due to record high levels of lending in the retail sector.

The Bank keeps improving its loan portfolio by strengthening its risk management. As of October 1, 2012 the share of **NPL's** (overdue of 90 days and more) in the structure of Eurasian Bank's business was **6.4%** of the total loan portfolio. Moreover, the loan loss coverage ratio amounted to **129.7%**.

Net Interest margin for the past nine months totaled **6.8%**, having increased by **30.8%** compared to the same reporting period of the last year.

Cost to income ratio (CIR) totaled **59.5%** based on the results of nine months, and it was due to costs associated with opening of new branches and POSs, other sales channels, as well as with implementation of projects on improving the technical platform of the Bank.

Assets of the Bank for the reporting period of the current year totaled KZT **442.8** bln, a **21.7%** increase from the beginning of the year. The loan portfolio (gross) of the Bank increased to KZT **360.7** bln, which is **35.0%** higher as compared with the figures for 2011.

The Bank's equity grew by **37.4%** to KZT **44.4** bln as compared with the figures for 2011.

Eurasian Bank is one of the most stable and rapidly growing banking institutions in Kazakhstan. It successfully develops all areas of the banking business, including corporate, SME, and retail sectors. The loan portfolio of the Bank is diversified as follows (as of October 1, 2012):

- Corporate segment – KZT **174.3** bln (**48.3%** of the total loan portfolio);
- SME – KZT **57.8** bln (**16.0%** of the portfolio);
- Retail segment – KZT **128.6** bln (**35.7%** of the portfolio).

Financial stability, high quality of customer service, and introduction of innovative banking technology – all of these are the strategy priorities of Eurasian Bank. The correctness of the selected course and success in achieving of the set goals are confirmed by awards of the international financial publications given this year to Eurasian Bank as The Best Bank in Kazakhstan (by Euromoney) and the Best Retail Bank in Kazakhstan 2012 (by Asian Banking & Finance).

The Bank's business success was confirmed by the decision of **S&P** to affirm the current long-term credit rating of the Bank up to **B+** with **Stable Outlook** in August 2012. Additionally, in July, 2012 Kazakhstan KzRating agency upgraded the Bank's credit rating according to the national scale from **BBB** to **A-** and according to international scale from **BB-** to **BB** with a **Stable Outlook**.

Commenting on the results of nine months of 2012, Mr. M. Eggleton, CEO of the Management Board of Eurasian Bank JSC, noted: **“We are proud of the results obtained. The progress of the Bank confirms the correctness of its strategy and entitles us to build even more ambitious plans for the future”**.

As of October 1, 2012 the Bank has **605 294** active customers, having increased by 123 447 customers in comparison with the beginning of the year.

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