



PRESS RELEASE

🌐 www.qazkom.kz

Kazkommertsbank reports its year end 2016 results

25 April 2017, Almaty, Kazakhstan – JSC Kazkommertsbank (“KKB” or the “Bank”) (LSE: KKB; KASE: KKGB) today announces its audited consolidated IFRS financial results for the twelve months ended 31 December 2016.

Highlights of YE2016 results:

- Total assets decreased by 4.5% to KZT 4,866 billion compared to year end 2015.
- Capital adequacy ratio was 13.1% based on NBK methodology.
- Non-performing loans in accordance with NBK methodology represented 7.4%.
- Net income for 12 months 2016 amounted to KZT 508 million.

Net interest income

Net interest income before provisions increased by 8.7% to KZT 203.4 billion compared to KZT 187.1 billion for 12 months of 2015.

Non-interest income

Net non-interest income decreased by KZT 99.7 billion compared to 12 months of 2015 and amounted to KZT 15 billion for 12 months of 2016 mainly due to increase in expenses on revaluation of assets classified as held for sale for KZT 50 billion as well as due to decrease in gains on financial assets and liabilities at fair value through profit and loss for KZT 66 billion.

Net fee and commission income decreased by 0.2% for 12 months of 2016 to KZT 28.4 billion.

Impairment losses

Provisions on loans to customers represented 13.2% of gross loans as at 31 December 2016.

Allowance for provisions amounted to KZT 68.9 billion for 12 months of 2016 compared to KZT 176.8 billion for 12 months of 2015.

Non-performing loans according to NBK methodology were 7.4% as at 1 January 2017.

Taxation

For 12 months of 2016 the Bank recorded income tax expense of KZT 25.4 billion compared to KZT 17.5 billion for the same period in 2015.



PRESS RELEASE

🌐 www.qazkom.kz

Capital ratios

The Bank's total capital ratio in accordance with NBK methodology represented 13.1% as at 31 December 2016.

The Bank's Tier 1 capital ratio in accordance with NBK methodology represented 10% as at 31 December 2016.

Business line performance

Corporate and SME banking

Corporate loans amounted to KZT 3,454.4 billion as at 31 December 2016 compared to KZT 3,476 billion as of 31 December 2015.

Corporate deposits amounted to KZT 1,475.4 billion as at 31 December 2016 compared to KZT 1,854 billion as at 31 December 2015. The share of corporate deposits in the Bank's total customer accounts decreased to 50.6% from 55.8% as at the end of 2015.

Retail banking

Retail loans (net) amounted to KZT 302.3 billion as at 31 December 2016 compared to KZT 353.7 billion as at 31 December 2015.

Retail deposits amounted to KZT 1,440.1 billion as at 31 December 2016 compared to KZT 1,470 billion as at 31 December 2015. The share of retail deposits in total customer accounts was 49.4% compared to 44.2% as at 31 December 2015.

Financial results of the Bank are available at the following link: <http://en.kkb.kz/page/FinancialReports>.

About Kazkommertsbank

Kazkommertsbank (KKB) is one of the largest banks in Kazakhstan and Central Asia with total assets of KZT 4,866 billion at 31 December 2016.

In addition to its core banking business (retail and corporate) KKB has subsidiaries active in pension fund management, asset management, insurance and brokerage. KKB also has foreign subsidiaries in the Russian Federation, Kyrgyzstan and Tajikistan.

Major shareholders of Kazkommertsbank include Mr. Kenges Rakishev, Central Asian Investment Company and Mr. Nurzhan Subkhanberdin, Qazaq Financial Group, the Kazakh Government through the Samruk-Kazyna National Welfare Fund. KKB's predecessor, Medeu Bank, was founded in July 1990, and re-registered as Kazkommertsbank in October 1991. KKB completed an IPO in GDR form on the London Stock Exchange in November 2006, the first



PRESS RELEASE

🌐 www.qazkom.kz

CIS bank to do so, in a deal totalling US\$845 million. The Bank's shares are listed on the Kazakhstan Stock Exchange.

Contact details:

Kazkommertsbank

Alma Buirakulova, Investor Relations
Tel.: +7 (727) 258-51-25
E-mail: investor_relations@kkb.kz

Larissa Kokovinets, Director, Public Relations
Tel.: +7 (727) 258-54-56
E-mail: pr@kkb.kz