
Integration of Kazkom and BTA recognized as the 2015 best CIS M&A transaction

January 26, 2016, London-Almaty. - Integration of Kazkommertsbank and BTA Bank - the best M&A transaction in 2015 in CIS countries, according to the opinion of respected representatives of business of Kazakhstan and the United Kingdom.

Kazakh-British Chamber of Commerce and Industry (KBCCI) awarded Kazkommertsbank with the prize of **"Best 2015 M&A deal in the CIS and the successful integration of the leading banks"** for the high level of integration with BTA Bank.

According to experts of KBCCI, this deal was the largest in the M&A market in the financial history of CIS. For the first time in the former Soviet Union the two major financial institutions of comparable size has merged.

Taking into account the scale of the two banks, legal and technical issues, their integration was extremely complex. However, this process was excellently completed. Today the merged financial institution is successfully operating under the brand name and on the technology platform of Kazkommertsbank.

"In our view, it was an unprecedented transaction in the history not only of Kazakhstan, but also the CIS", - said Arthur Krivov, President KBCCI. - "The merger of Kazkom and BTA was held not only in very short time - just over a year, but also accurately - without any technical failures."

This integration has resulted in the significant increase of the customer base of the combined bank, which has grown to up to 6 million. Bank customers received an access to the most extensive infrastructure in the country - about 25% of all ATMs over the country, 300 offices, 40% of all POS-terminals and approximately the same market share of card payments.

"Having completed the integration, we have assumed an important social role to fulfill obligations to depositors of troubled bank as well as on improvement of banking assets. At this stage, we are working with international consultants on a new business strategy, which aims to ensure the further effective business development and growth of the bank's profit. We have an ambitious goal - to make Kazkom national champion in the banking market, and today we have all the resources necessary to achieve our goal ", - said CEO of the bank Magzhan Auezov.

We remind that in February, 2014 the consortium of investors represented by Kazkommertsbank and Mr. Kenes Rakishev agreed on acquisition of BTA Bank from Samruk-Kazyna state fund. In June of the same year the transaction on acquisition of BTA shares took place.



Immediately after that the technical operations related to integration of KAZKOM and BTA began. ATM networks were integrated first. Later, the stage-by-stage transfer of BTA branches to IT-platform of KAZKOM started. Payment cards of BTA clients were transferred to the processing system of KAZKOM in February, 2015.

The National Bank adopted the legislative package and approved the BTA and KAZKOM assets exchange scheme in May, 2015; after that both banks started this process. They began replacing brand signs in BTA Bank offices. Upon completion of asset exchange in June, BTA returned the banking license to the regulator. On June 29, 2015 the provision of integrated services to the clients of KAZKOM and BTA was initiated along the entire banking network.

KAZKOM and BTA announced about deconsolidation on June 30, 2015, so, the integration process, which was initiated on June 30, 2014, was totally completed within exactly one-year period.

For quick reference:

[The Kazakh-British Chamber of Commerce and Industry](#) is the leading bilateral business association, which was founded upon support of Kazakhstani Embassy in London and the Ministry of Industry and Trade of the Republic of Kazakhstan. The main activities of the Chamber are aimed at strengthening and development of bilateral economic relations between business structures of Kazakhstan and Great Britain.

[Kazkommertsbank](#) – is one of the largest banks in Kazakhstan and Central Asia. Bank assets equaled KZT 4 409 bn. as of September 30, 2015.

Bank has subsidiaries, which work in investment portfolio management, insurance and brokerage area. Also Bank has subsidiaries in Russian Federation and the Republic of Tajikistan. Bank's main shareholders are: "Central Asian Investment Company" JSC, Mr. N.S. Subkhanberdin, «Qazaq Financial Group» JSC (former «Alnair Capital Holding» JSC), "NWF "Samruk-Kazyna" JSC, Mr. K.Kh. Rakishev

Bank shares are included into the official list of "Kazakhstani Stock Exchange" JSC (KASE). Global Depository Receipts (GDR), which have the Bank shares as their basic assets, are included into the list of London Stock Exchange (LSE). Bank was the first among CIS banks that completed IPO totaling USD 845 mln. in the form of GDR in London Stock Exchange in November, 2006.

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