

ASTANA FINANCE

May 2009

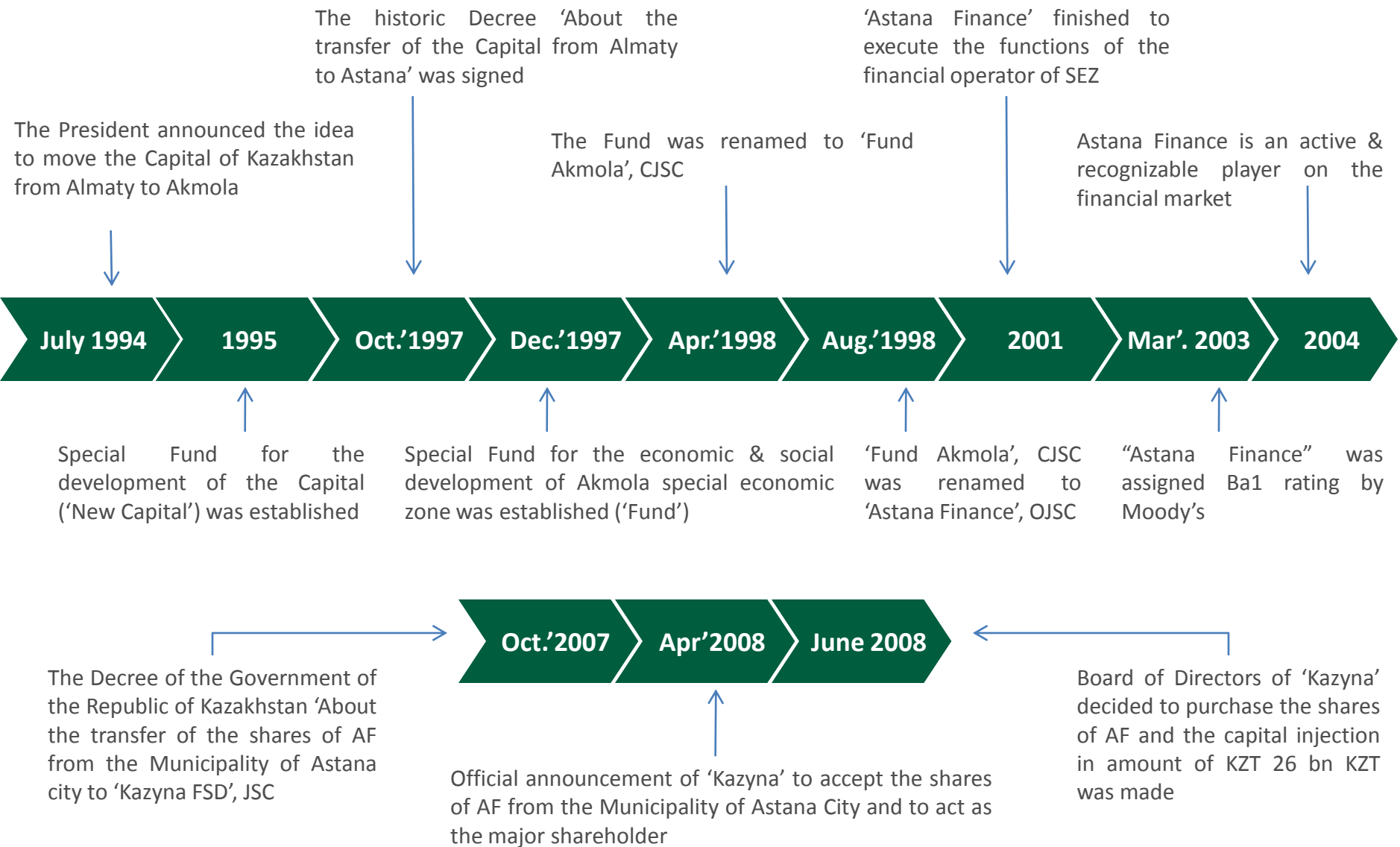
- ✓ *ASTANA FINANCE OVERVIEW*
- ✓ *SAMRUK-KAZYNA OVERVIEW*
- ✓ *FACTS & FIGURES*
- ✓ *APPENDIXES*

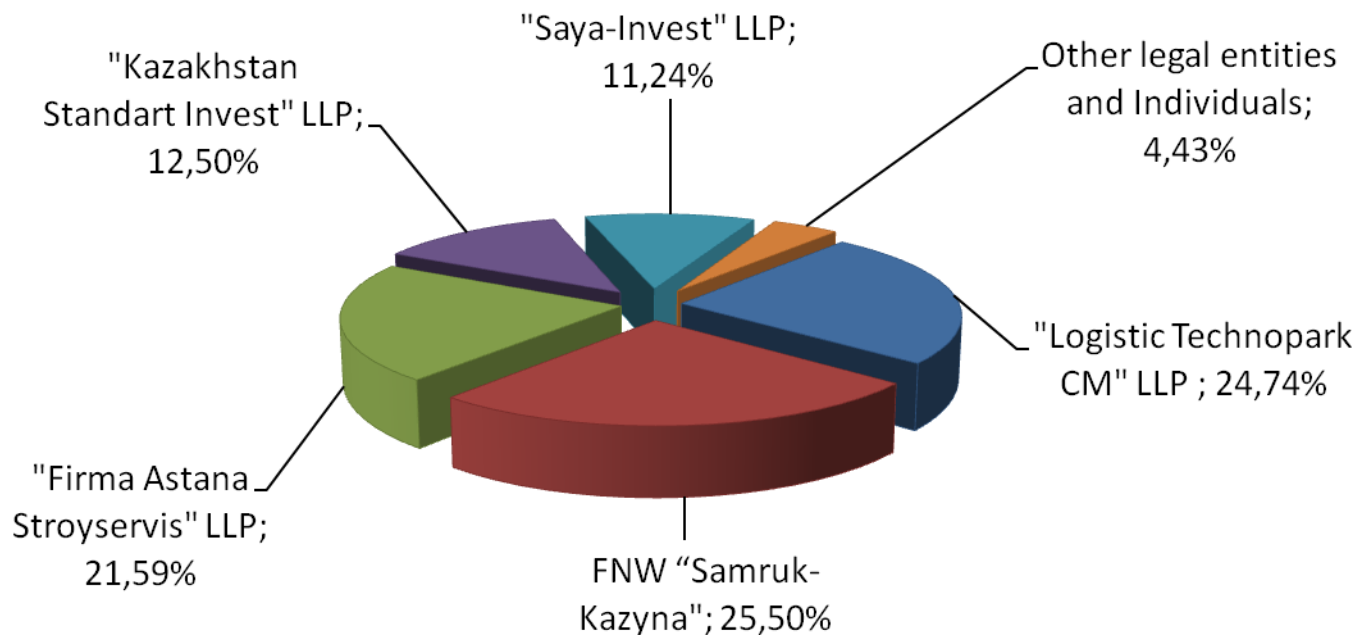
ASTANA FINANCE OVERVIEW

Maturity Schedule for 2009 and 2010, US\$ mln.

	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1H 2010	2H 2010
Bilateral loans and credit lines	15		20			
ECA covered loans	12,9	8,7	11	7,2	20,26	18,25
Issued Eurobonds	125				487,8	
Issued domestic bonds					38,8	
Total	152,9	8,7	31	7,2	546,9	18,25

MAJOR MILESTONES



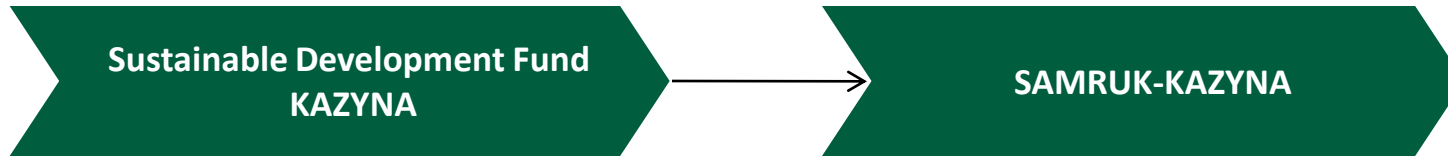


The Municipality of Astana city is the founder of the Company: Initial authorized capital was KZT 100 million.

The company's share capital increased as follows:

- *June 30, 2006 – KZT 3 721 million (\$31.4 million)*
- *November 1, 2006 – KZT 4 450 million (\$34.9 million)*
- *December 31, 2007 – KZT 10 225 million (\$85 million)*
- *June 30, 2008 – KZT 38 448 million (\$318.4 million)*

Transfer of 25.5% shares



SHARES TRANSFER PROCEDURES

1. October 12, 2007 - the Decree of the Government of the Republic of Kazakhstan about the transfer of the shares of Astana Finance from the municipality of Astana city to 'Kazyna FSD', JSC,

2. The necessity to make some amendments into the Civil Code of the Republic of Kazakhstan appeared on the horizon, and the Committee of the state property and the privatization prepared the draft of the Law "About the amendments to be made into the Civil Code of the Republic of Kazakhstan".

3. April 21, 2008 - the comfort letter of Kazyna which confirms the agreement to accept the shares of AF from the Municipality of Astana city and to act as the large shareholder, participating in the activity of AF and having its representatives in the Board of Directors of AF.

5. Legal issues of the transfer from the municipal ownership to the republican have to be resolved.






6. The upper (Senate) and the lower (Mazhilis) chambers of the Parliament of the Republic of Kazakhstan have to approve the draft and bring the document to the President.

7. On the meeting of the Board of Directors of 'Kazyna', dated June 25, 2008, was decided to purchase shares of JSC 'Astana Finance' for the total amount of USD 50m

8. Other shareholders apart from Kazyna increased their participation by injecting USD161 m

9. After the merger of Kazyna and Samruk into National Welfare Fund the share of 25.5% was transferred to **"SAMRUK-KAZYNA"**.



-  *Astana Finance is one of the largest financial institutions in the Republic of Kazakhstan*
-  *Astana Finance is the recognizable Brand of the Capital of the Republic of Kazakhstan*
-  *Astana Finance is the Company with the stainless reputation and credit history*
-  *Astana Finance provides a wide range of the financial services, including broker and dealer services, asset management, corporate and retail financing, leasing, mortgage finance and insurance*
-  *Astana Finance successfully demonstrates vitality and efficiency of government – private partnership.*



JSC “Astana Finance Leasing Company “ (100%)

JSC “Mortgage Company Astana Finance” (100%)

LLP “MCO “Astana Finance” (100%)

OJSC “AF Bank” (Ufa, Russia) (99.94%)

JSC “Bank Astana Finance” (100%)

JSC “Insurance Company Astana Finance“ (100%)

JSC “Life Insurance Company “Astana Finance” (100%)

Astana Finance B.V. (100%)

JSC “Astana Finance Brokerage Company ” (100%)

Shareholders Meeting

Board of Directors

Strategic Counsel

Parent company: JSC Astana Finance

Corporate governance

Development of corporate business standards

Internal audit

Risk Management

methodologies

IT

Marketing

HR

Planning & Control

Analytics

Investment Banking

Derivative products

Corporate business lending

Underwriting

Broker Dealer activities

M&A

Asset management, Private equity funds

Strategic consulting

Corporate governance of companies through participation in Boards of Directors

Microlending organisation (KZ)

Leasing company (KZ) and (Russia)

AF Bank (Russia)

Insurance companies

Mortgage company (KZ)

Pension Fund

AF Bank (KZ)

SAMRUK-KAZYNA OVERVIEW

“САМРУК-КАЗЫНА” ФОНД НАЦИОНАЛЬНОГО БЛАГОСОСТОЯНИЯ

Name	Share, %	Name	Share, %
JSC “KazMunayGas”	100	JSC “National Corporation for Insurance of Export Credits & Investments”	100
JSC “Kazakhstan Temyr Zholy”	100	JSC “Investment Fund of Kazakhstan”	100
JSC “KEGOC”	100	JSC “Corporation for Export development & promotion “Kaznex”	100
JSC “Kazakhtelecom”	45,90	JSC “Engineering and Technology Transfer Center”	Trust mang.
JSC “Kazpost”	100	JSC “Astana Finance”	26
JSC “Air Astana”	51	JSC “Kazakhstan Mortgage Company”	91
JSC “National Sea Shipping Company “Kazmortanslot”	50	JSC “Kazakhstan Fund for insurance of mortgage loans”	89
JSC “National Company “Kazakhstan Engineering”	100	JSC “House Construction Savings Bank of Kazakhstan”	100
JSC “Samruk-Energo”	93,42	JSC “Saryarka”	100
JSC “Chokin Kazakh Research Institute of Power Engineering”	50	JSC “Ontustik”	100
JSC “Kazakhstan Operator of Electric Energy and Power Market”	100	JSC “Ertis”	100
JSC “Pavlodar Airport”	100	JSC “Zhetysu”	100
JSC “Aktobe International Airport”	100	JSC “Kaspii”	100
LLP “Kamkor”	100	JSC “Tobol”	100
LLP “Samruk Invest”	100	JSC “Batys”	100
LLP “Samruk-Kazyna Contract”	100	JSC “Maikainzoloto”	25
JSC “Development Bank of Kazakhstan “	100	JSC “Kazatomprom”	100
JSC “Kazyna Capital Management”	100	“Kazakhmys PLC”	14,99
JSC “Damu” Entrepreneurship Development Fund”	100	“Eurasian Natural Resources Corporation PLC”	11,65
JSC “National Innovation Fund”	100		

▪ Joint Stock Company “National Welfare Fund” “Samruk-Kazyna” was established on October 2008 by Decree of the President of Kazakhstan through the merger of “Kazyna” Sustainable Development Fund and “Samruk” Holding for Management of State Assets;

▪ 100% owned by the Government;

▪ Established to increase competitiveness and stability of the national economy.

Main objectives of the Fund:

- Development and implementation of investment projects of regional, national and international scale;
- Support and modernization of the current state assets;
- Assistance in development of the regions and implementation of social projects and etc.



1. Financing the construction of the public projects:

- Stadium (30 000 places)
- Congress Hall
- Cinema and Concert Hall (3 500 places)
- Presidential Park for the total amount KZT 12 billion.



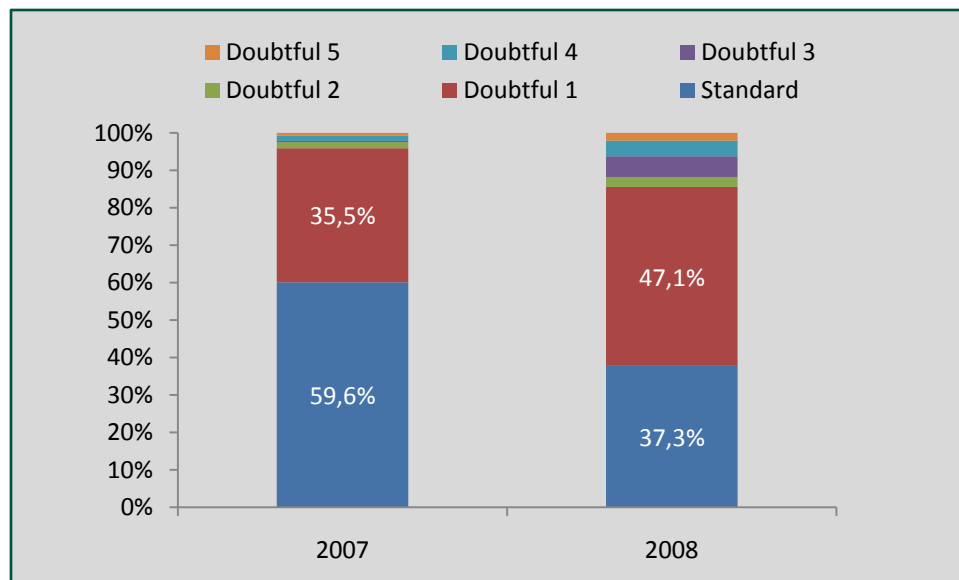
2. SME Financing for the total amount of KZT 11,5 billion (50% of which belongs to Kazyna)



3. SME Financing – KZT 6 billion,
MCC – KZT 3 billion,
Leasing - KZT 1 billion
(Plan for November 2008)

FACTS&FIGURES

LOAN PORTFOLIO BY RISK CATEGORY



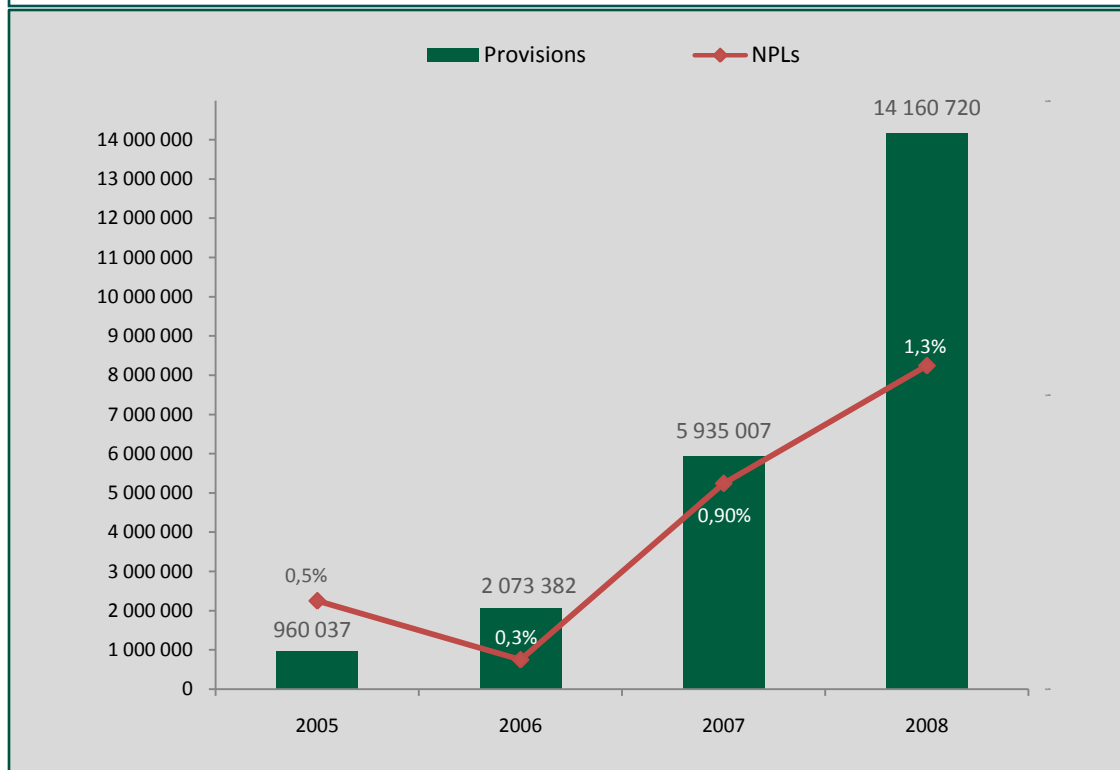
Comments

The loan portfolio shows its good health and is treated in accordance with the conservative classification criteria.

Type	31.12.2008		31.12.2007	
	Amount (USD, thousand)	%	Amount (USD, thousand)	%
Standard	672 121	37,3%	869 494	59,6%
Doubtful 1	849 680	47,1%	517 363	35,5%
Doubtful 2	45 538	2,5%	23 674	1,6%
Doubtful 3	100 593	5,6%	4 677	0,3%
Doubtful 4	73 549	4,1%	19 677	1,3%
Doubtful 5	37 243	2,1%	11 243	0,8%
Bad	23 387	1,3%	13 018	0,9%
Total	1 802 110	100,0%	1 459 145	100,0%

The bad loans good represent insignificant share thus confirming the quality of the loan portfolio.

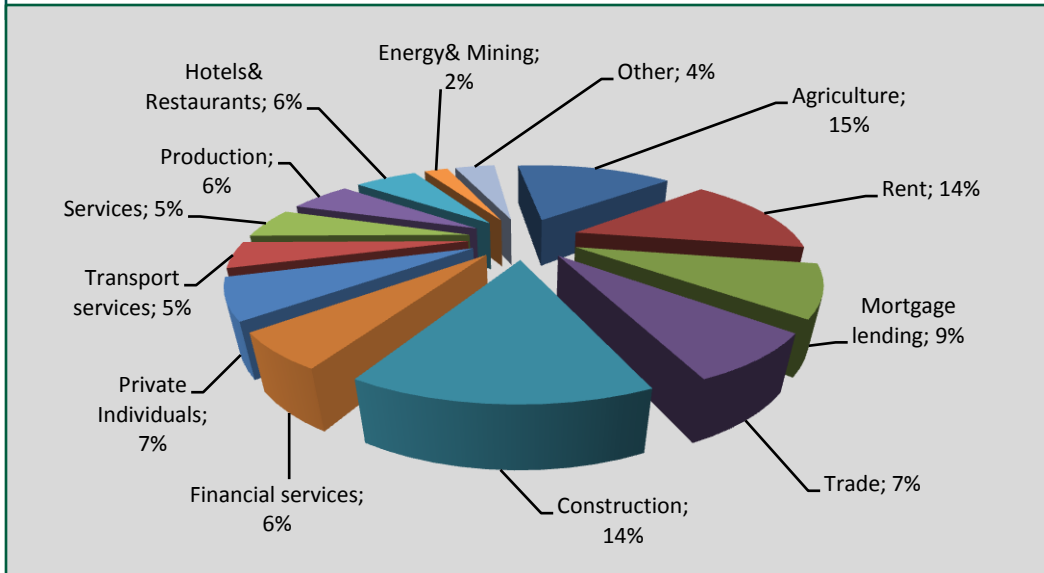
Provisioning Ratios (KZT, in thousands)



Comments:

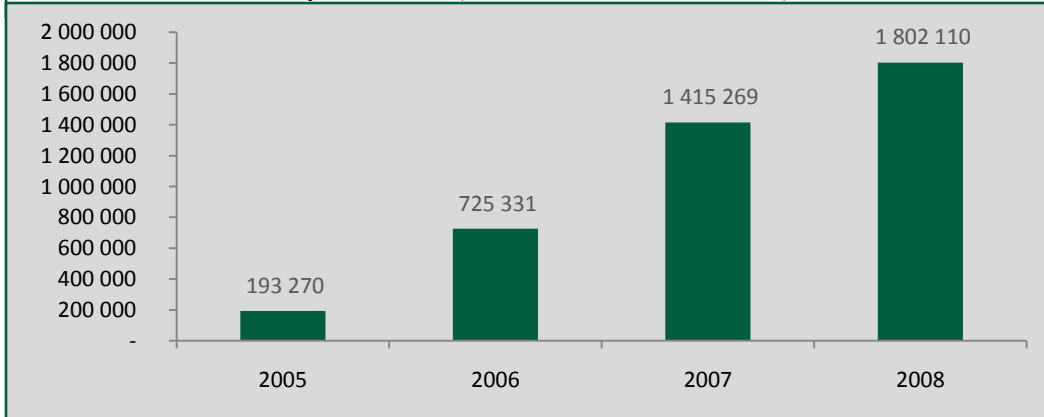
- *NPL remains one of the lowest Among Kazakh Financial Institutions*
- *The general trend of the deterioration of the Loan portfolio did not impact on Astana Finance due to professional Assessment of the Borrowers and Risk Management tools.*

Loan Portfolio Breakdown as of 31.12.2008



The well diversified loan portfolio allows to diminish the credit risks and keep good relations with the clients from different sectors of economy.

Loan Portfolio Dynamics (USD, in thousands)



The Company continues to lend its clients and participates in joint projects with Kazyna & contributes to the development of the real sector.

ASSETS, KZT mln

#	2006		2007		2008	
1	2 269 193	Kazkom	3 072 101	BTA Bank	2 915 111	BTA Bank
2	1 824 994	BTA Bank	2 997 232	Kazkom	2 834 623	Kazkom
3	1 047 196	ATF Bank	1 160 931	Alliance Bank	1 858 724	Halyk Bank
4	977 040	Halyk Bank	1 595 075	Halyk Bank	1 011 879	Alliance Bank
5	924 834	Alliance Bank	967 268	ATF Bank	1 019 577	ATF Bank
6	570 952	BCC	880 424	BCC	938 696	BCC
7	205 521	Nurbank	333 934	Temirbank	299 517	AF
8	199 404	Temirbank	270 111	Kaspi Bank	298 340	Nurbank
9	196 350	Kaspi Bank	226 690	AF	295 711	Temirbank
10	151 637	Eurasian Bank	198 695	Nurbank	272 001	Eurasian Bank
11	131 365	AF	183 797	Eurasian Bank	267 729	Kaspi Bank
12	86 258	Tcesnabank	149 119	Tcesnabank	135 706	Tcesnabank

CAPITAL, KZT mln.

#	2006		2007		2008	
1	223 263	Kazkom	459 666	BTA Bank	416 926	BTA Bank
2	167 470	BTA Bank	319 219	Kazkom	350 663	Kazkom
3	64 425	ATF Bank	161 025	Halyk Bank	192 728	Halyk Bank
4	113 495	Халык Банк	158 976	Alliance Bank	162 277	Alliance Bank
5	83 413	Alliance Bank	73 428	ATF Bank	95 893	ATF Bank
6	39 766	BCC	71 357	BCC	93 187	BCC
7	27 573	Temirbank	48 295	Temirbank	44 642	Temirbank
8	24 353	Nurbank	37 150	Nurbank	44 523	Nurbank
9	21 491	Kaspibank	30 305	Kaspibank	44 397	Kaspibank
10	18 232	Eurasian Bank	19 984	Eurasian Bank	29 780	AF
11	10 844	Tcesnabank	16 000	Tcesnabank	25 523	Eurasian Bank
12	10 442	AF	12 504	AF	17 044	Tcesnabank

Source: www.kase.kz

EFFICIENCY TABLE (based on unaudited data*)

Ratios	31.12.2008 *	31.12.2007	31.12.2006	31.12.2005
Profitability Ratios				
ROAE	8.7%	21%	20.86%	16.5%
ROAA	0.8%	1.4%	2.2%	2.3%
Net interest margin before provisions	5.8%	7.4%	3.4%	3.9%
Net interest margin after provisions	2.5%	4.9%	1.9%	2.9%
Operational expenses/Average assets	2.3%	2.7%	2.4%	2.7%
Operating expenses/(net interest margin+noninterest income)	68.2%	63.6%	47%	47.5%
Capital adequacy				
Equity (shareholder's equity + preferred shares)/Assets	13%	8.1%	8.3%	18.7%
Equity + Subordinated debt/Assets	19%	10%	20.5%	36.8%
Liquidity				
Liquid Assets/Assets	24%	17.7%	16.4%	18.5%
Liquidity Test	87%	85.5%	82.5%	75.8%

SELECTIVE INFORMATION (as of 01.10.2008)

KZT, in thousands

JSC "BANK ASTANA FINANCE»	
TOTAL ASSETS	1 841 181
DEPOSITS	368 642
EQUITY	1 463 156

LLP "MCO "ASTANA FINANCE"	
TOTAL ASSETS	2 430 133
ACCOUNTS RECIEVABLES	2 358 640
AUTHORISED CAPITAL	100 000

INSURANCE COMPANY "ASTANA FINANCE"	
TOTAL ASSETS	946 147
PREMIUM	8 153
AUTHORISED CAPITAL	800 000

OJSC "AF BANK"	
TOTAL ASSETS	14 335 463
DEPOSITS	11 438 872
EQUITY	2 076 526

"LIFE INSURANCE COMPANY "ASTANA FINANCE"	
TOTAL ASSETS	829 423
PREMIUM	8 618
AUTHORISED CAPITAL	800 000

"LEASING COMPANY "ASTANA FINANCE"	
ASSETS	41 734 789
PORTFOLIO	30 605 444
EQUITY	3 035 169

APPENDIXES

15.11.2005

JSC “Leasing Company “Astana Finance” was established on November 15, 2005 (wholly-owned Subsidiary of JSC “Astana Finance”);

30.05.2008

JSC “Leasing Company “Astana Finance” opened a Subsidiary in Ufa (Russia), expanding business activities in neighboring region with a high agricultural opportunities

31.12.2008

JSC “Leasing Company “Astana Finance” has become one of the biggest leasing operators in Kazakhstan, with a 31% market share;

23.12.2008

Fitch Ratings assigned JSC “Leasing Company “Astana Finance”:
Long-term foreign currency “BB” and National Long-term rating “A+”.

JSC “Leasing Company “Astana Finance” cooperates with export-credit agencies of Germany, USA, Canada, Belgium and has good relations with foreign banks.

The business activity of the Company is concentrated in agricultural sector mainly through cooperation with John Deere, Case New Holland, Canam Engines, Canagro exports, MT3, Agromashholding and etc. Also, the Company focuses on road-building machines projects financing and municipal transport projects.

JSC “Leasing Company “Astana Finance” a wholly-owned Subsidiary of Astana Finance obtains indirect support from Fund “Samruk-Kazyna”.

From strategic point of view, the Company has opportunities to expand its business activity implementing projects supported by Fund “Samruk-Kazyna”.

AFMC was established in 2005 with the purpose of providing mortgage loans for corporates & individuals.

AFMC acted as a partner of the Government in realizing the State Housing Program in 2005-2007.

MAIN PRODUCTS

- **Mortgage loans under Government Program on housing construction 2005-2007**

- State development program for housing in Kazakhstan for young families, employees of state and social sphere organizations

- **Mortgage loans for purchase, repair works, individual construction of real estate**

Loans secured by property

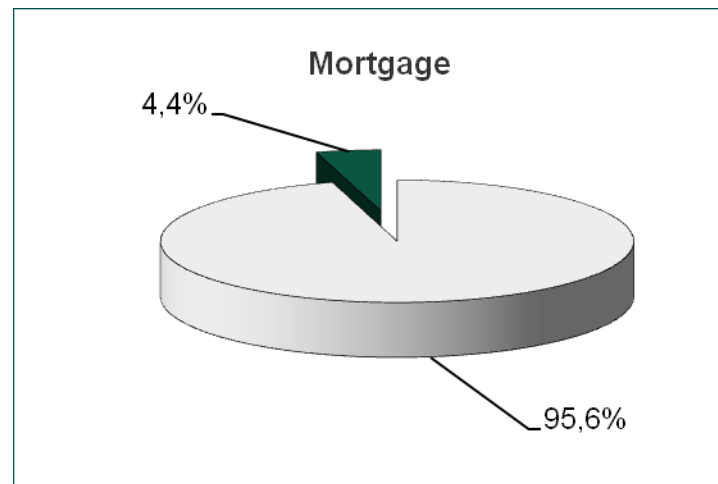
- **Consumer lending**

Loans for purchase of goods and services

- **Loans for purchase of commercial real estate**

Loans secured by property

AFMC holds 4.4 % of the market share



JSC "Bank Astana Finance" was established in 2008. License given by FMSA dated August 7, 2008; first branch was opened in September 2, 2008. Bank Astana Finance is universal bank with extensive branch network and a wide range of banking products for retail and corporate clients.

Strategic goals:

- ✓ To be innovating Bank with a high quality of services;
- ✓ To provide investment opportunities growth and increase competitiveness of the bank;
- ✓ To achieve strategic goals means providing investment profitability of the shareholders and investors, increase market share, expand regional network;
- ✓ To achieve growth: assets of the bank by KZT 240 bn (US\$ 2 bn);
- ✓ To provide presence in 10 regional centers of Kazakhstan and etc.

ADVANTAGES:

FOR ENTITIES:

- Reduced tariff on Settlement and cash services
- Interest accruals of account balance
- Partial withdrawal of the deposits (with interest payments)
- Personal manager
- Consultations on asset management
- Working capital financing
- Remote accounts control

FOR INDIVIDUALS:

- Partial withdrawal of the deposits (with interest payments)
- Consumer loans
- Auto lending through showroom units
- Revolver card loans (2009)

DEPOSIT GROWTH IN KAZAKHSTAN (31.12.2008):

From the date of foundation, the Bank attracted deposits in amount of KZT 3,5 bn (including current accounts).

“MCO “Astana Finance” was established on March 28, 2006. “MCO Astana Finance” is one of the largest microcredit organizations in Kazakhstan, offering microcredit services for individuals.

At present, “MCO “Astana Finance” has broad regional network in 21 largest and regional cities of the Republic of Kazakhstan.

Goal for 2009:

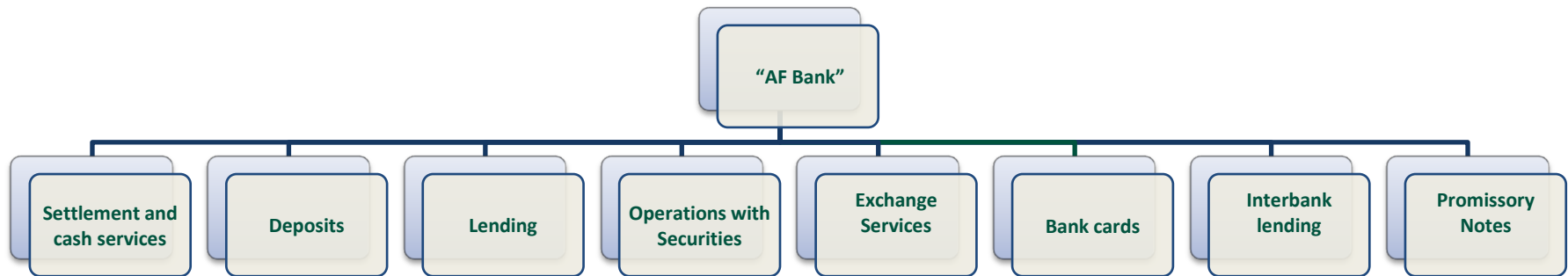
- ✓ Investment opportunities owing to efficient management and business transparency;*
- ✓ Quality loan portfolio and development of cross-sales with Subsidiaries of Astana Finance.*

Microcredit Objectives

could be various:

- ✓ Purchase of Automobiles;**
- ✓ Repair works and construction;**
- ✓ Purchase of Real estate;**
- ✓ Purchase of home appliances, furniture;**
- ✓ Payments for education;**
- ✓ Holiday trips, active rest;**
- ✓ Health support and resumption;**
- ✓ Initial capital for business;**
- ✓ Working and investment capital financing;**

- The Bank was established on 30.10.1990 as “Informsvyaz”.
- Since 1997 the Bank entered the Banking group “Alfa Bank” as OJSC “Alfa Bank Bashkortostan”.
- From 11.04.2007 the Bank changed the name to Open Joint Stock Company “AF Bank” and in 04.05.2007 was a part of JSC “Astana Finance” Group.
- General license # 991 dated 04.05.2007 for conducting banking operations .



- The Bank is a participant of Obligatory Deposit Insurance System (was included to the register of the banks on November 11, 2004)
- The Bank has a License of Professional party of the Securities market for conducting broker activities (license dated 28.04.2005) and depository activities (license dated 28.04.2005)
- OJSC “AF Bank” has a status of associated member of international payment systems VISA and MasterCard.



In 2008 “Expert RA” Agency assigned B+ Rating to OJSC “AF Bank”.

DEPOSIT GROWTH in Russia (31.12.2008):

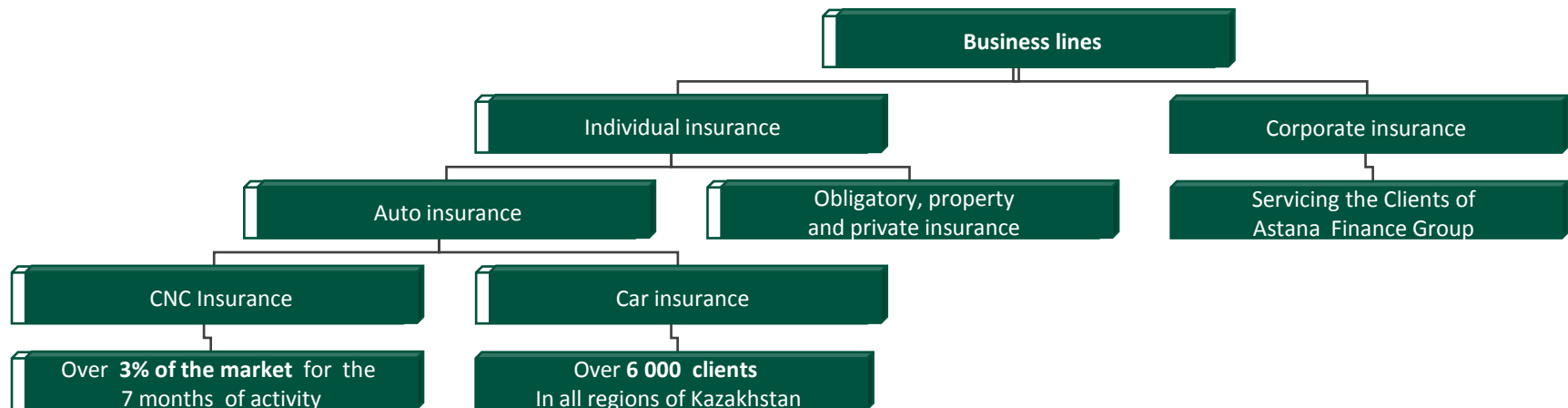
01.06.07 – RUR 33 277 000

31.12.08 – RUR 1 169 008 000

Insurance Company “Astana Finance” was registered on March 06, 2008.

License for conducting insurance business “All-in insurance” # 2.1.46 dated 01.12.2008

Offices of the Company are opened in 12 large cities of Kazakhstan



Strategic goal for 2009-2013 – increase Market Shareholder value of the Company

- Entrance to the individual market , as the most stable under financial crisis conditions
- Retail insurance share – about **80%** of collected insurance premium
- Market share in “Auto insurance” segment - **15%**
- Shareholder value of the Company – KZT **6,6 bn**

THANK YOU FOR YOUR ATTENTION!