



**Коммерческий банк
КЫРГЫЗСТАН**



**ЖЫЛДЫК БАЯНДАМА
ГODOVOY OTЧET
ANNUAL REPORT**

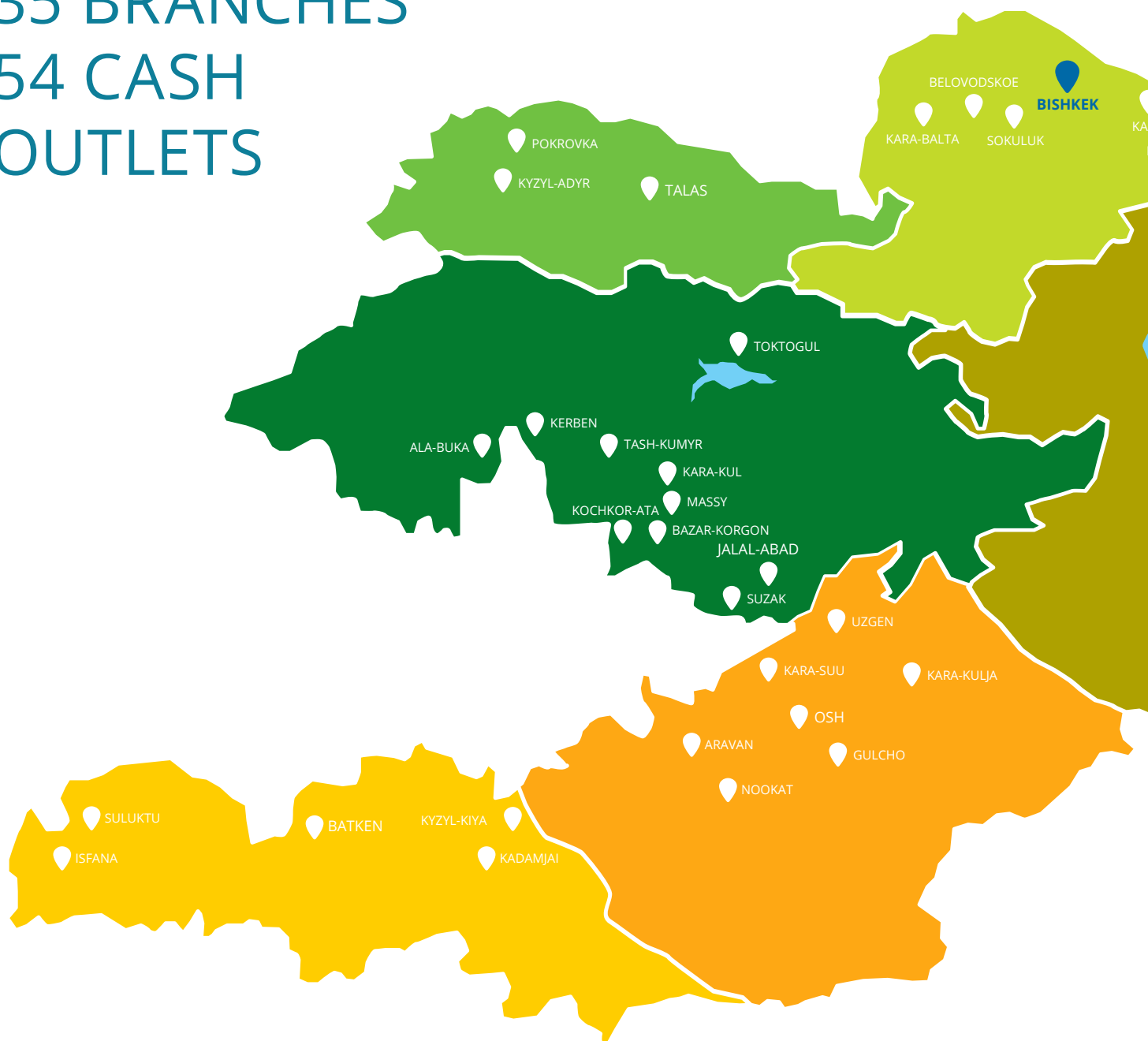
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COVERAGE OF ALL REGIONS OF THE COUNTRY

35 BRANCHES

54 CASH
OUTLETS



04

Talas region

1 branch, 2 cash outlets

You should see and visit these places:

- Kumbez (mausoleum) of Manas
- Besh-Tash National Park
- Uzun-Akhmat River Valley.

05

Jalal-Abad region

7 branches, 8 cash outlets

You should see and visit these places:

- Arslanbob walnut forests
- Sary-Chelek Biosphere Reserve, Sary-Chelek Lake
- Jalal-Abad resort complex with healing waters
- Shah-Fazil Mausoleum, XI century.
- Saimaluu Tash Rock Carvings.

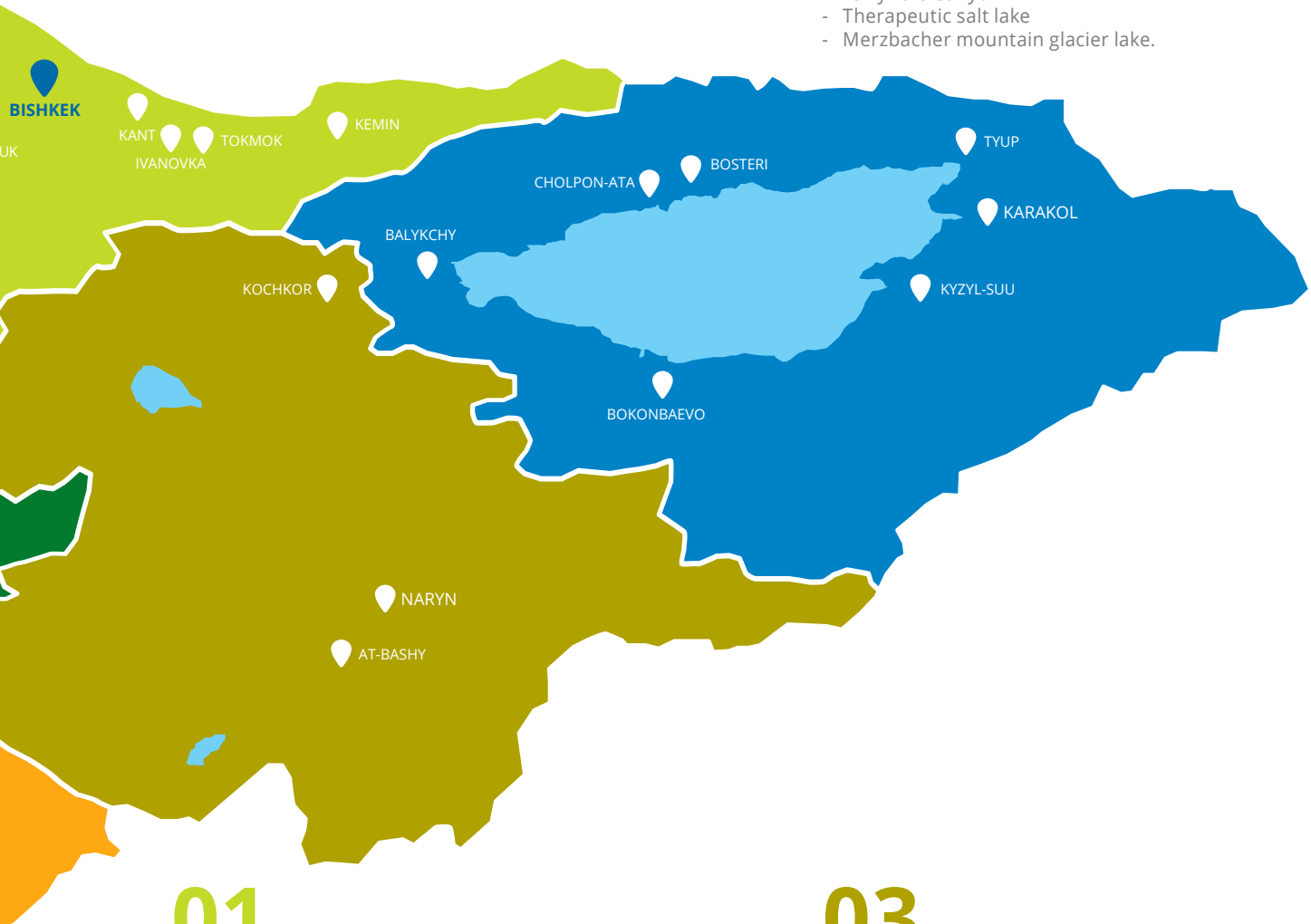
02

Issyk-Kul region

3 branches, 5 cash outlets

You should see and visit these places:

- Issyk-Kul Lake – the pearl of the country
- Karakol ski resort
- Fairy Tale Canyon
- Therapeutic salt lake
- Merzbacher mountain glacier lake.



01

Chui region

13 branches, 17 cash outlets

You should see and visit these places:

- Burana tower, XI century
- Ala-Archa national park
- Ski Resorts: Too-Ashu, Ak-Tash, Oruu-Sai, ZIL, Chunkurchak, Orlovka, Toguz-Bulak, Norus, Kashka-Suu, Polytech, Chong-Tash.

03

Naryn region

3 branches, 1 cash outlets

You should see and visit these places:

- The largest Naryn river
- Son-Kul and Chatyr-Kol alpine lakes
- Tash -Rabat ancient caravanserai, XV century
- Naryn State Reserve and National Park Salkyn Tor.

06

Osh region

6 branches, 16 cash outlets

You should see and visit these places:

- Abshir-Sai waterfall
- Sulaiman-Too (Solomon's Throne)
- Mosque of Rinat Abdullakhan
- Uzgen historical and architectural complex.

07

Batken region

2 branches, 5 cash outlets

You should see and visit these places:

- Dugaba alpinists center
- Kan Castle, XVII century
- Kan-i-Gut Cave
- Aygultash Mountain, the place an Aigul endemic flower blooming.

Dear Clients and Partners!

Dear Friends!



We present our annual report on our Bank's activities for 2015.

The past year was marked by global changes in the world financial market, which affected all and us as well. Despite the difficult times, we have deliberately continued to work on modernization and improvement of the Bank's technical platform, focusing on the new technologies of the banking market.

In the reporting year we completed the project on joining our Bank to the international payment system - the Bank received the status of Affiliate Member MasterCard and successfully launched acquiring on servicing MasterCard cards in the Bank's ATM in November 2015. In addition, our Bank has become the first in the region to launch emission and acquiring contactless cards - Visa Pay Wave and MasterCard PayPass.

Furthermore, we have made the great emphasis on the development of remote banking service channels, continuing improvement of Internet and mobile banking technologies.

Considerable attention was paid to information security improvement, including information security quality by ISO international standards within the management system.

Like many other commercial banks, lending still remains one of the main directions of our activity. Last year the Bank continued to develop its retail lending and successfully funded many projects of private entrepreneurs in different regions of the country.

Together with international financial institutions, we have successfully continued cooperation on financing agriculture. It should be noted that we also continue to participate in the financial support government programs for agricultural producers.

In conclusion I note that these trends in terms of technical modernization, sustainable development and safety, information security and certainly enhancement of the customer service quality will definitely stay in the focus of our priorities, our mission and values!

Sincerely,
N. ILEBAEV

Management

Board of Directors:

Chairman of the Board of Directors

Bakytbek Tumonbaev

Member of the Board of Directors

Stanislav Karpovich

Member of the Board of Directors

Vladimir Nifadyev

Deputy Chairman of the Board of Directors

Sagadylda uulu Janybek

Member of the Board of Directors

Gulzara Omurzakova

Bank Board:



CEO

Nurdin ILEBAEV



Deputy CEO

Narynbek Alybaev



Deputy CEO

Elena Djilkichieva



Deputy CEO

Jarkynbek Sagyndykov



Deputy CEO / Chief Accountant

Elmira Djenbaeva

Information about the bank

OJSC "Commercial bank KYRGYZSTAN" dates back to January 1, 1988, as Kirkontora of Zhilsotsbank of the USSR, based on which November 6, 1990, the Bank was established, registered with the Ministry of Justice of the Kyrgyz Republic as AKB "Kyrgyzstan". In 2005 the Bank was reorganized into JSC "AKB Kyrgyzstan", and since November 20, 2006, the Bank holds its current name - "Commercial Bank KYRGYZSTAN".

Over the years we have established ourselves as one of the most stable and financially sustained banks in the Kyrgyz Republic. OJSC "Commercial bank KYRGYZSTAN" is one of the first commercial banks established in the country. In spite of all external circumstances, throughout this time, it has been worked successfully, each time confirming its status as the first private bank with national capital, having a long experience of work in the financial market of the republic and abroad.

The Bank serves such international cards like Visa, Master Card, Zolotaya Korona and Elcart - national payment system card. At the moment, the Bank has a wide acquiring network – 167 ATMs and over 1,000 POS terminals across the country, serving 4 payment systems.

The Bank was the first one in the region having started emission and acquiring contactless cards Visa Pay Wave and MasterCard PayPass. The total number of issued bank cards at the end of 2015 exceeded 255,000 cards.

In June 2015 the project was launched between OJSC "Commercial bank KYRGYZSTAN", CJSC "Interbank processing center" and the National Bank of the Kyrgyz Republic on organization of connections between the Node and IPC for reception and service peripherals of the Bank connected to the Bank Node, Elcart payment cards of the national payment system.

The broad geography of the branch network consisting of 35 branches, 54 cash outlets and 12 other mobile cash outlets throughout the country will allow you to get a quality service anywhere in the country. To wire and receive money transfers in more than 180 countries through 9 money transfer systems.

Keeping pace with the times, the bank is actively working on improving the Internet and mobile banking product innovations, by the end of 2015 the number of clients actively using mobile banking services has increased to 50 000 users.

OJSC "Commercial bank KYRGYZSTAN" enjoys respect and trust, among not only the population, enterprises and organizations in Kyrgyzstan, but also receives an adequate assessment by the public authorities and international financial institutions, such as the International Development Association, World Bank, KfW Bank and others.

Our Bank is a member of such organizations as:

- "Union of Banks of Kyrgyzstan";
- "AmCham" (American Chamber of Commerce);
- "Deposits Protection Agency"

To serve the customers' trade turnover, working in the international area, the Bank has established correspondent relationships with banks in Europe, Asia and CIS.

Planning the development, we develop and implement modern technological solutions, which help to save our customers' time to have product offers always met their expectations.

Customer Service

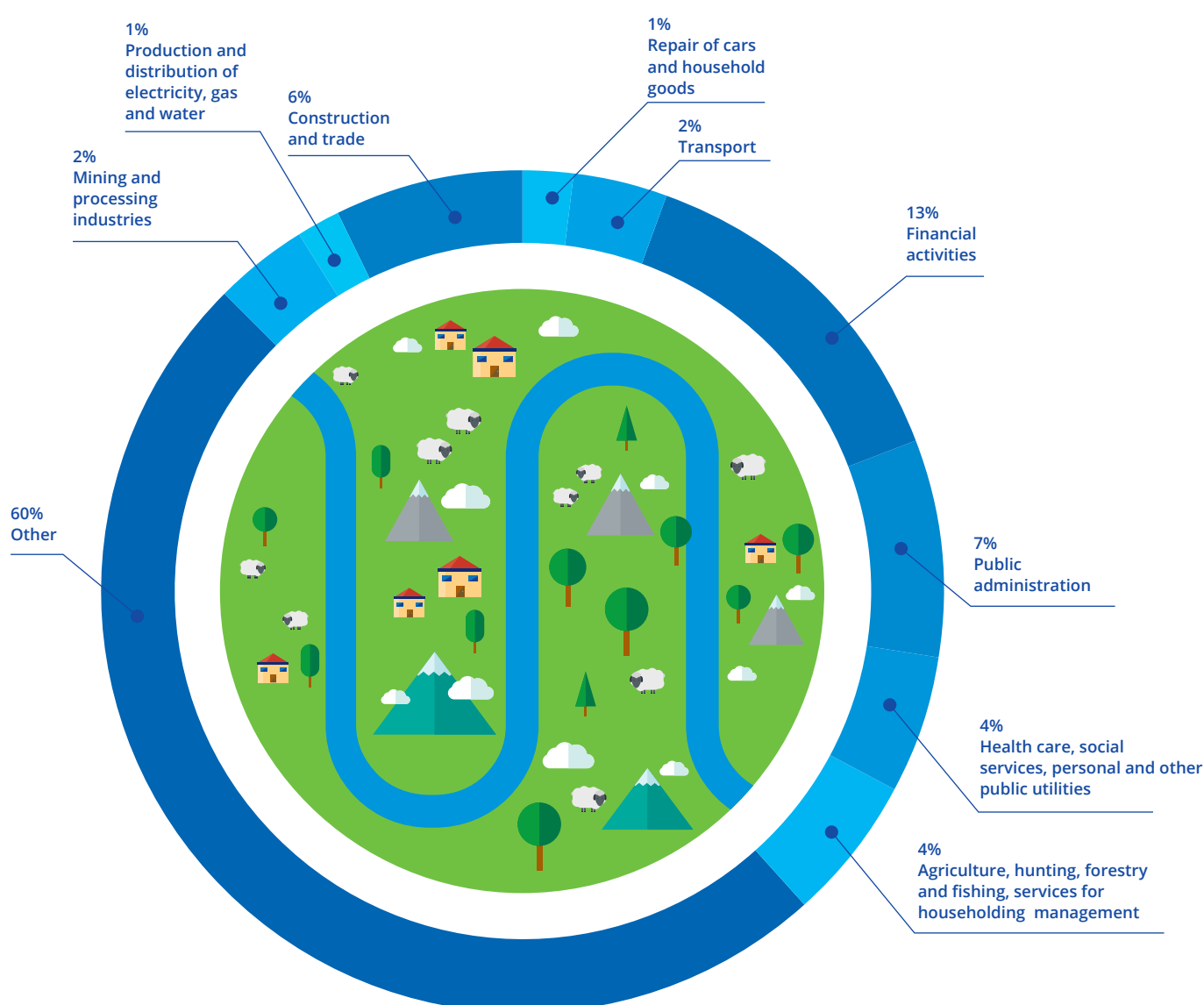
Being aware of the high level of responsibility to its clients, the Bank is constantly working to improve the service quality and service levels. To date when banks offer almost the same by tariffs and assortment, therefore it is the quality to be the determining factor of customers' loyalty.

At the heart of customer relations, we adhere to such principles as trust, quality, convenience and the most important thing - reliability.

The Bank has many ways to get feedback from customers - the contact center, website feedback, Bank's own sites in social networks, use of modern messengers, assisting the Bank to continuously improve its service.

During 2015 the Bank managed not only to strengthen its customer base, but also to attract new customers. Our customers operate in different segments of the economy.

Customer base by economic sectors



— Naryn River, 807 km long.

Facts of interest: hydropower resources of the Naryn River are 5.94 mln. kilowatts, it is slightly less than that of the Volga River (the largest river in Europe) with 6.20 million kilowatts, if to compare. There are Toktogul hydroelectric power plant, Tash-Kumyr hydroelectric power plant, Uchkurgan HPP, Kurpsai HPP, Shamaldysai HPP at the Naryn River as well as Kambarata-2 HPP and the Upper-Naryn cascade HPP are under construction.

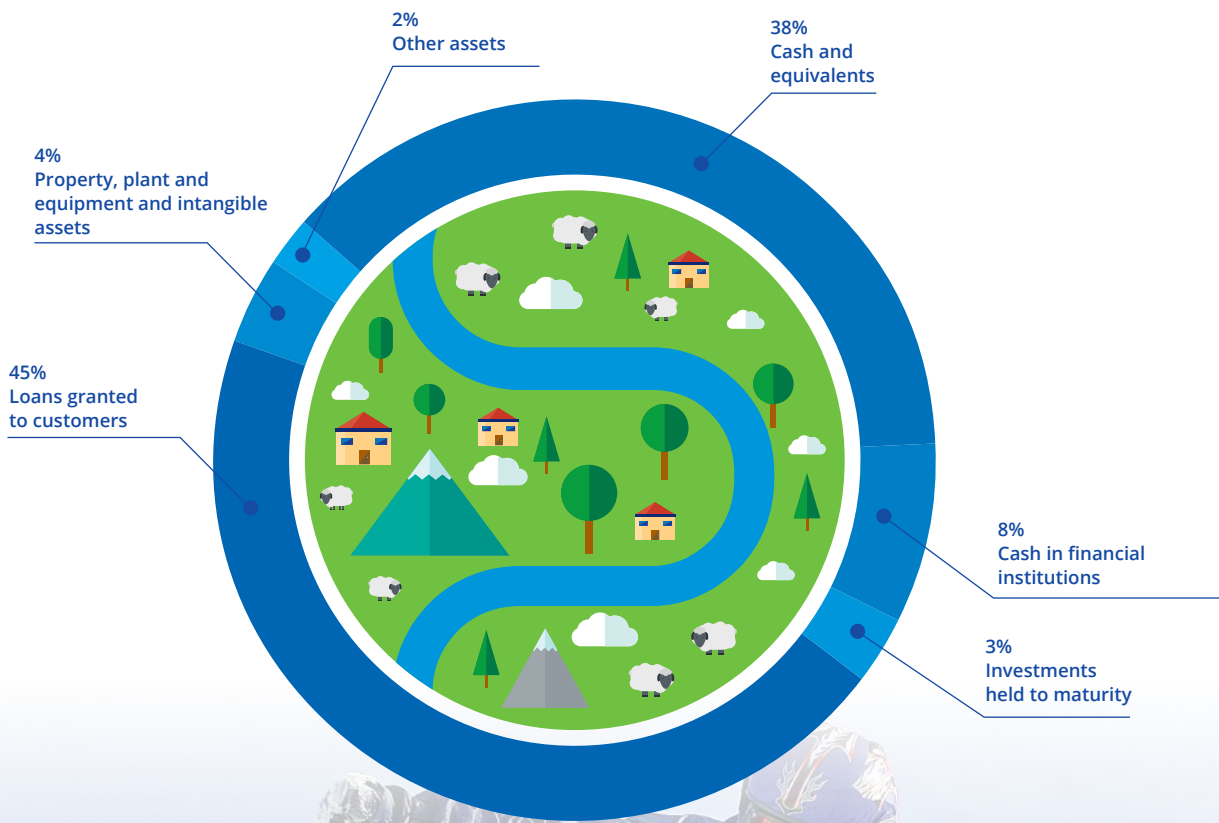
Financial Indicators

Assets

Dynamics of financial performance of OJSC "Commercial bank KYRGYZSTAN" witnesses correctness of the selected positions, elaborated development strategies and guarantees its stability, sustainability and high yield.

By the end of 2015 the volume of the bank's assets grew by 33% and reached 11,326 million soms.

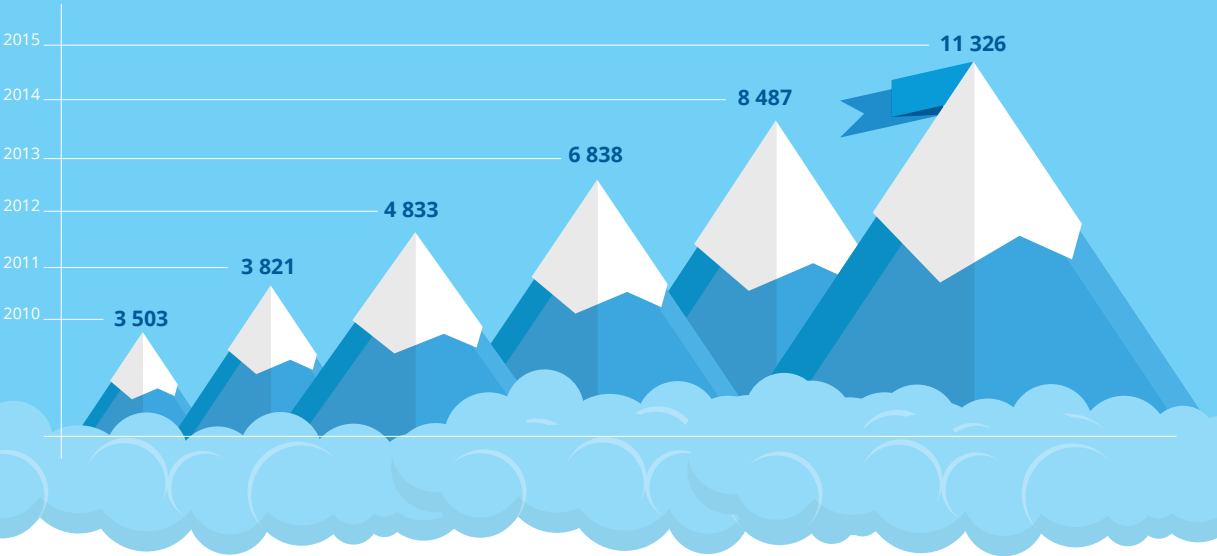
Structure of assets



Talas River, 294 km long.

Facts of interest: In 751 AD the famous battle took place on the Talas River between the Arabs and the army of the Tang Dynasty (China) for possession of the Central Asia, ended in victory for the former.

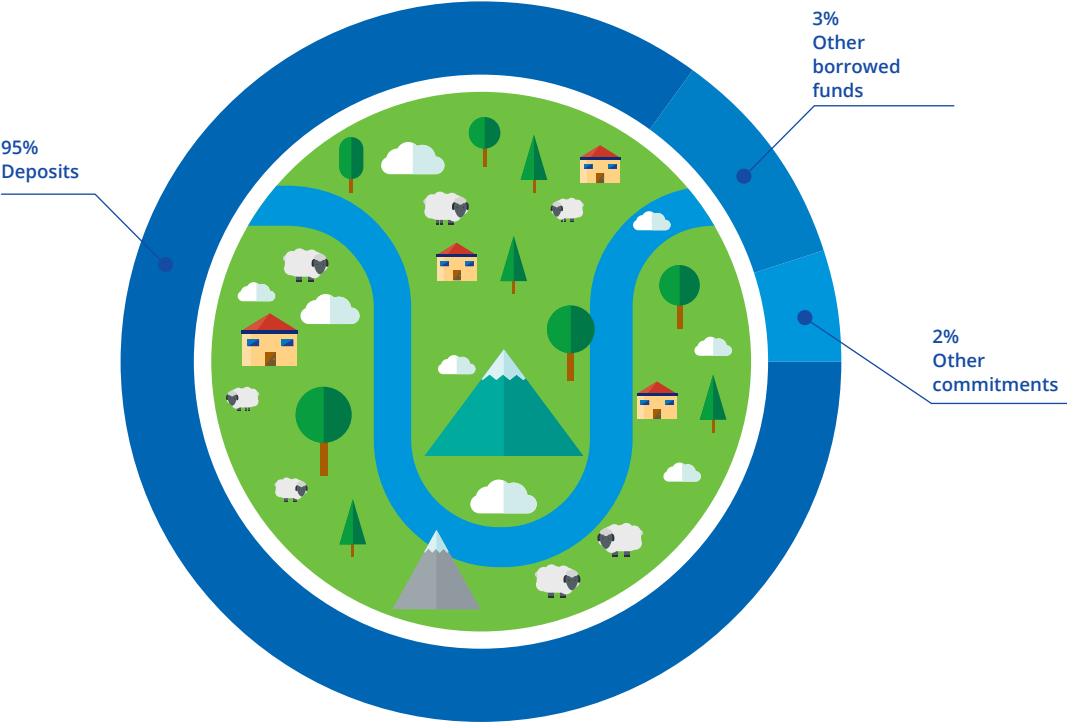
Dynamics in assets (million KGS)



■ Kakshaal Too Ridge, 582 km long, Pobeda Peak is the highest point, 7439 m.

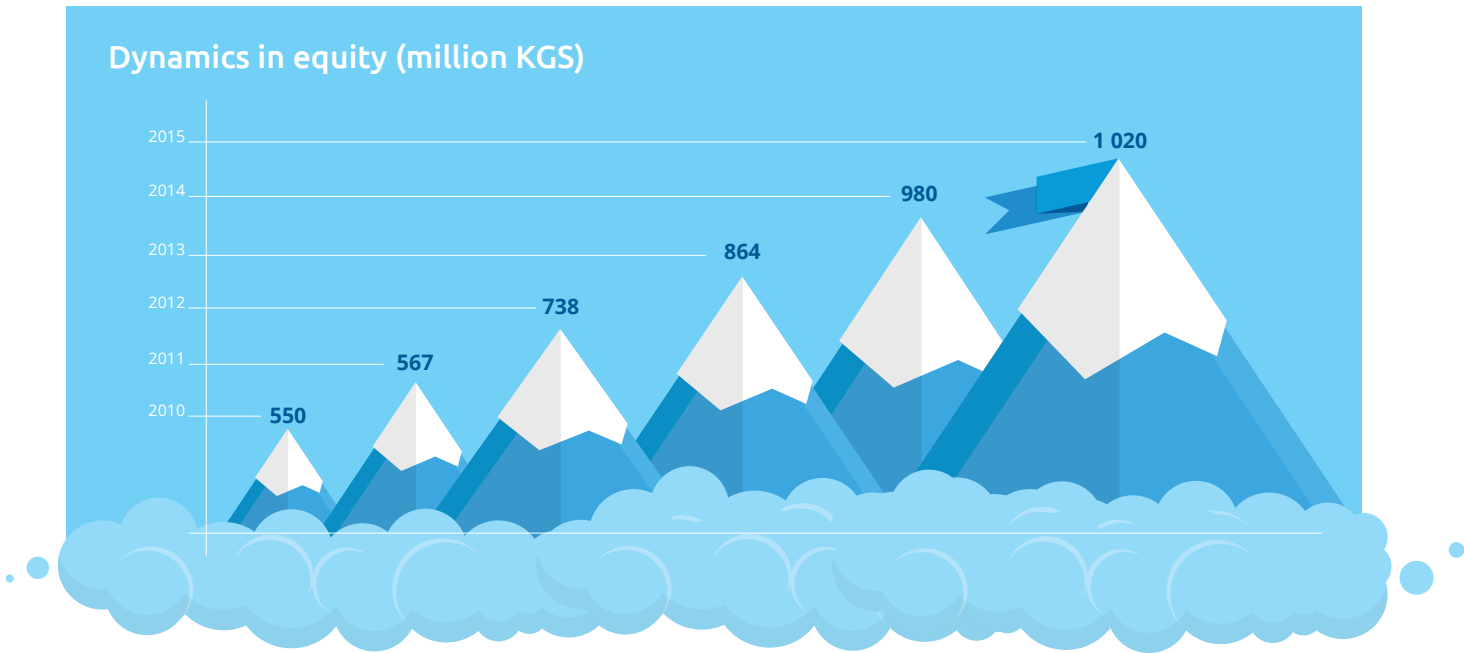
Liabilities

The broad product line of deposits that satisfies the demand of all consumer groups allows successfully build up the amount of liabilities, most of which are customers funds, ie deposits. The deposit portfolio has increased by 44%.



— Chu River, 221 km long.

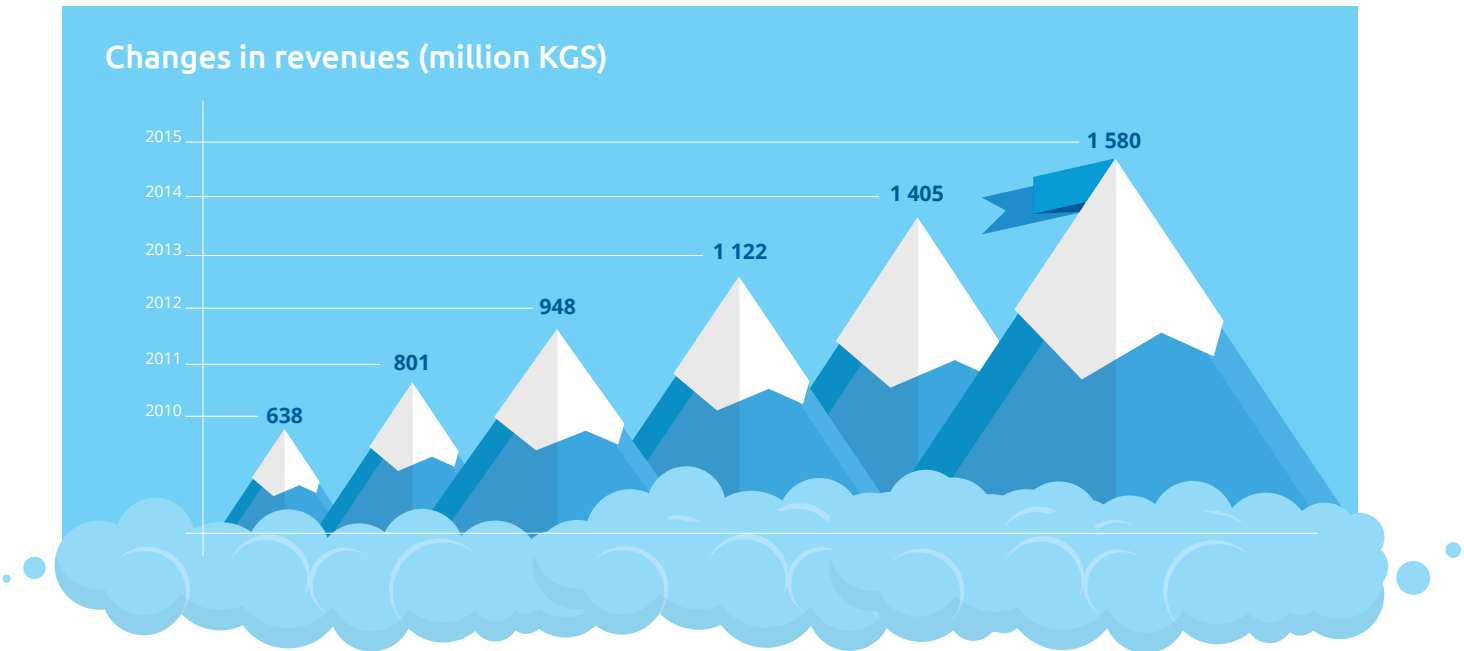
Facts of interest: Since May until September the adventure-seekers and the lovers of exciting trips come on rafting along the Chu River, enjoying the beauty of the Boom gorge along the way.



■ Chon-Alai Ridge, 250 km long, Lenin Peak is the highest point, 7134 m.

Revenues

In 2015 the Bank ended up with revenues of 1,580 million soms. Net profit for 2015 has amounted to 87 million soms.



■ Talas Ridge, 260 km long, Manas peak is the highest point, 4488 m.

Investments

In 2015 the Bank continued its active development path!

The Bank was the first in the region to begin issuance contactless cards - MasterCard PayPass and VISA PayWave and have them serviced in pos terminal network. We have expanded quantity of ATMs and pos terminals.

Introduction of electronic document management system was implemented, thus improving the performance indicators of management processes and quality of record keeping.

Following the path of the development of new technologies, the Bank has continued developing remote service channels perfecting mobile banking service, the number of active users of this service in a short time has increased to 50,000 clients.

Given the increasing volume of information and introduction of new IT services in OJSC "Commercial bank KYRGYZSTAN", there is the need to establish a full backup Data Processing Center (DPC), which can provide fault tolerance and continuous availability of business processes to the Bank's customers and partners. Especially for this in 2015 the Bank purchased expensive network and server equipment of last generation, as well as uninterruptible power supply system.

By the end of 2015, after all stages of the project, the Bank had at its disposal its own standby data processing center that meets all expectations of the bank's business processes.



Hunting with golden eagles

Development of the Bank

Bank cards

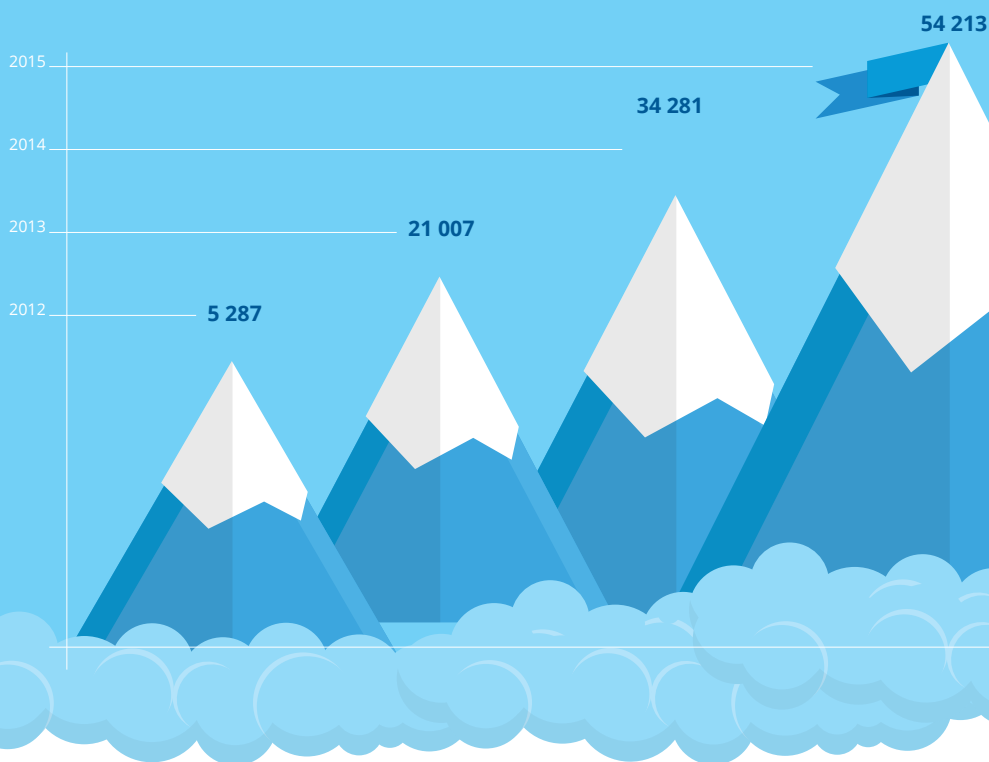
The total number of cards issued by the end of 2015 increased by 69% and amounted to 262,439 cards.

- Visa payment system cards have increased by 63%, compared with the previous year, the total number is 54,213.
- Zolotaya Korona payment system cards have increased by 70%, compared with the previous year, the total number is 208,226.

In 2015 the project on accession of our Bank in the MasterCard international payment system was completed and we received the status of Affiliate Member MasterCard and successfully launched the acquiring service for MasterCard in the bank's ATM.

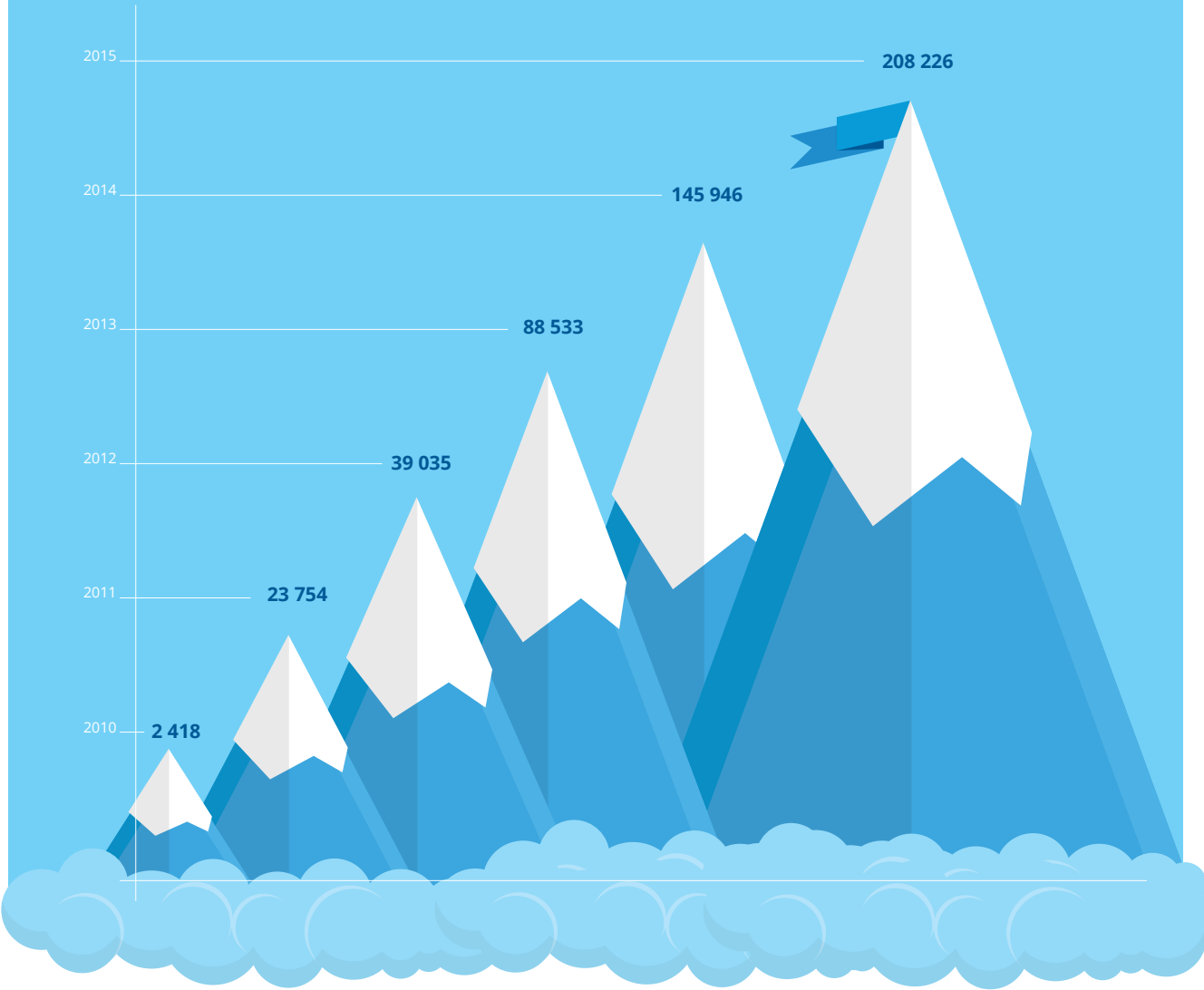
One of the important events of the past year was the launch of the project between OJSC "Commercial bank KYRGYZSTAN", CJSC "Interbank processing center" and the National Bank of the Kyrgyz Republic on reception and maintenance of the Elcart national payment card in the Bank's ATM.

VISA cards (pieces)



■ Kungey Ala-Too Ridge, 285 km long, Chok-Tal peak is the highest point, 4771 m.

Zolotaya Korona cards (pieces)

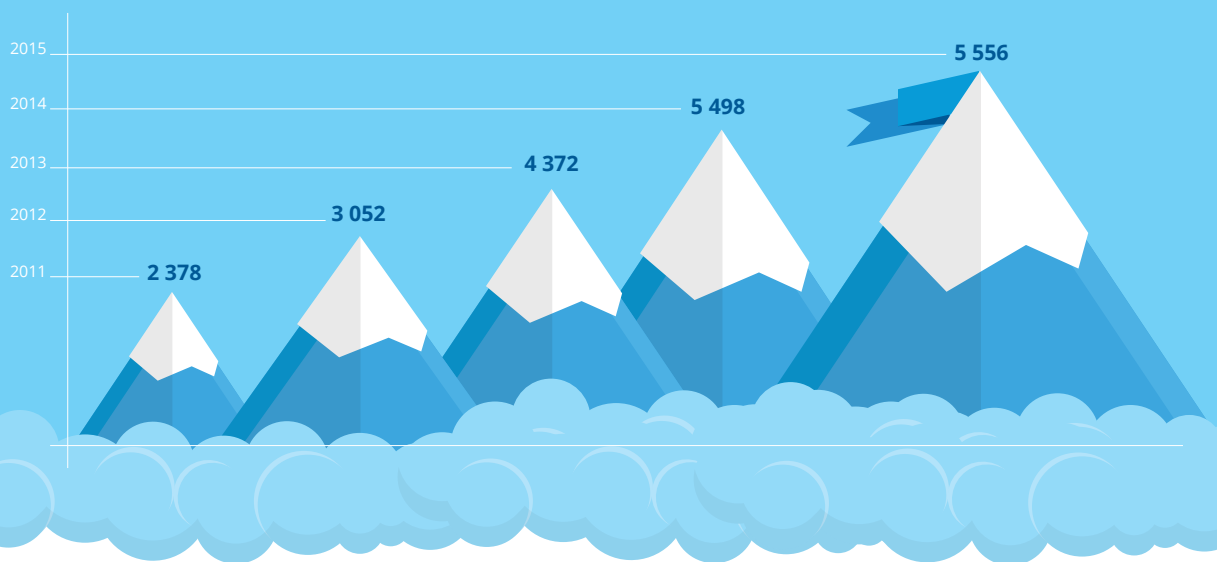


■ Teskei Ala-Too Ridge, 354 km long, Karakol peak is the highest point, 5280 m.

Loans

By the end of 2015 the loan portfolio was 5,556 million soms. The main areas of loans, as in the previous years, were trade, commercial operations and agriculture.

Dynamics in the loan portfolio (million KGS)

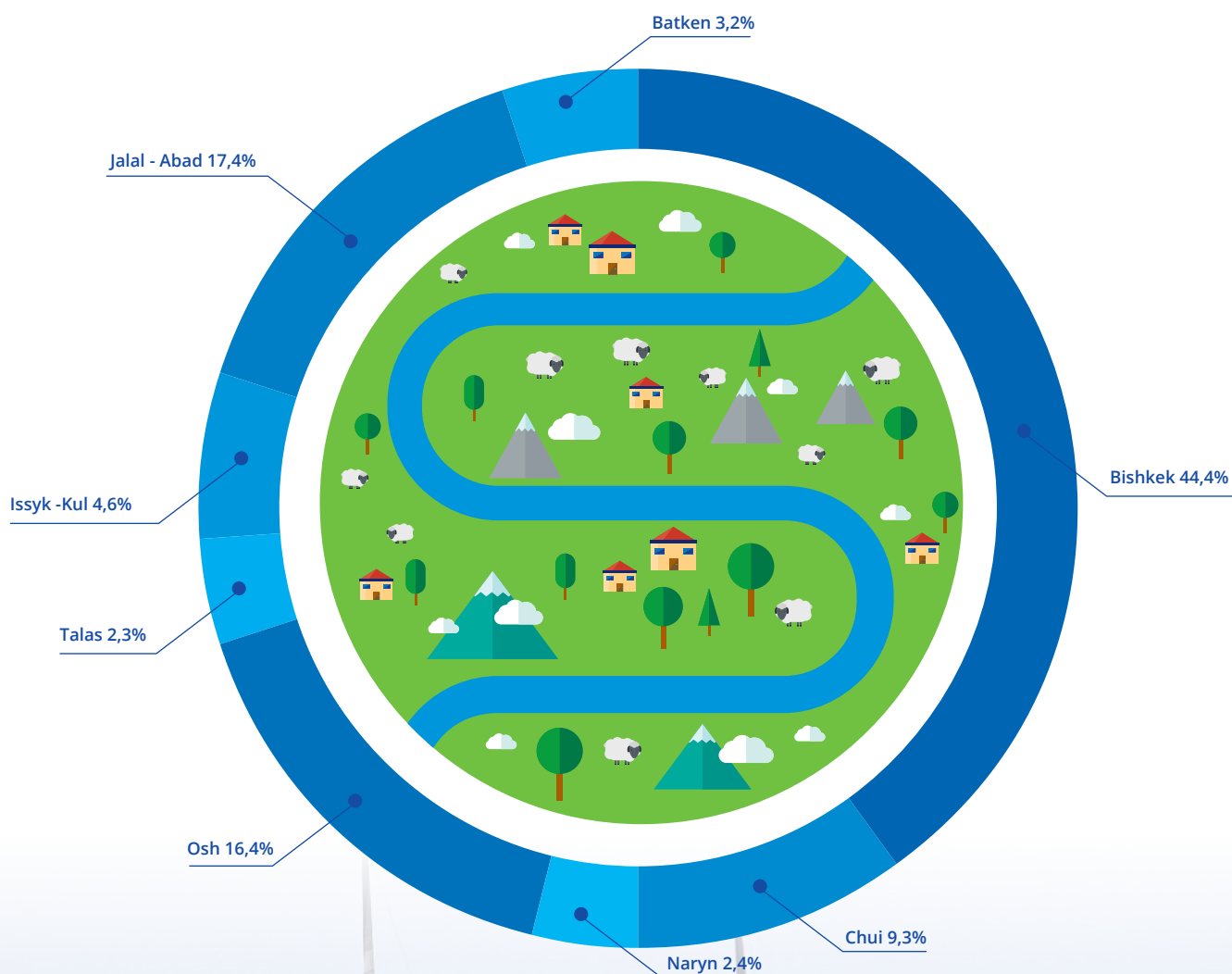


■ Ferghana Ridge, 206 km long, Kara Kuldzha peak is the highest point, 4940 m.



National game Kok-Boru (goat dragging game)

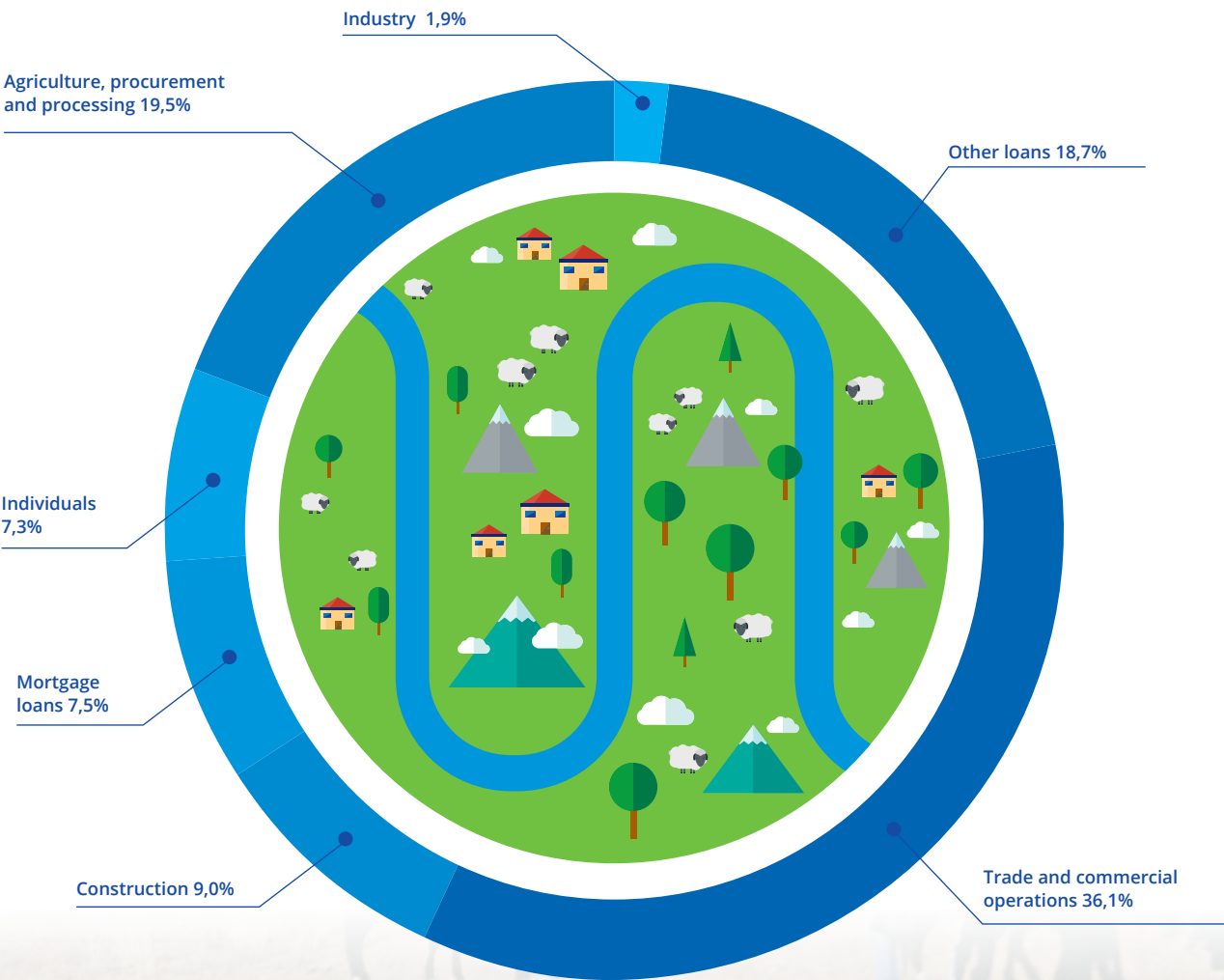
Structure of loan portfolio by regions



— Sary-Jaz River, 165 km long.

Facts of interest: There are hot springs with temperatures around 60 degrees in the upper reaches of the Sary-Jaz river near the variegated marble rock - Kara-Ala-Tash. You can find petroglyphs (1-2 thousand BC) near Enilchek village. 7 km to the east of Echikili-Tash village at a height of 3150 m, there is a limestone cliff on the right bank of the Sary-Jaz river with Ak-Chunkur cave ("white hole") about 70 m long and 4 m wide, the entrance to which rises above the water by 130 m. They found traces of prehistoric man in the cave. There is a small lake not far from the cave.

Structure of loan portfolio by industries



— Chatkal River, 155 km long.

Facts of interest: The Chatkal River flows through the marvelous beauty of the Besh-Aral reserve. The river is also of interest to the fans of rafting and has the 5th category of complexity of the route.



National Game Tyiyn enmey (coins picking up from the ground at full gallop)

Soft window facility "Agriculture support credit scheme"

The purpose of this program is to provide soft loans to agricultural producers for the development of animal husbandry, crop production, agro-processing in agriculture, seed and breed livestock farms and agricultural cooperatives. Loans are granted for a period of 24 months with the mandatory provision of a grace period. The interest rate is 10% per annum for animal husbandry and crops production. For the sectors of agro-processing and seed and breed livestock farms and agricultural cooperatives the interest rate is 9% per annum. At the same time loans are granted to the borrowers with a good credit history.

The Bank participated in the agriculture support project in the regions of the Kyrgyz Republic in 2013. During this time 2421 borrowers were funded from own funds of the bank in the amount of 470 million soms, while the average loan amount was 210,000 soms. Funding was provided only for the development of crop, livestock and agro-industrial processing.

KfW lending program

The Bank participates in the Program of the financial system development in rural areas of the Kyrgyz Republic, which is funded by the German government through KfW Bank through Ministry of Finance of the Kyrgyz Republic. Under this program it is carried out to promote the development of small and medium-sized enterprises (legal entities, individual entrepreneurs, operating under patent / certificate without a legal entity, private farming for agro loans) in the Kyrgyz Republic by funding aimed at improving their productivity and competitiveness, as well as creation of employment.

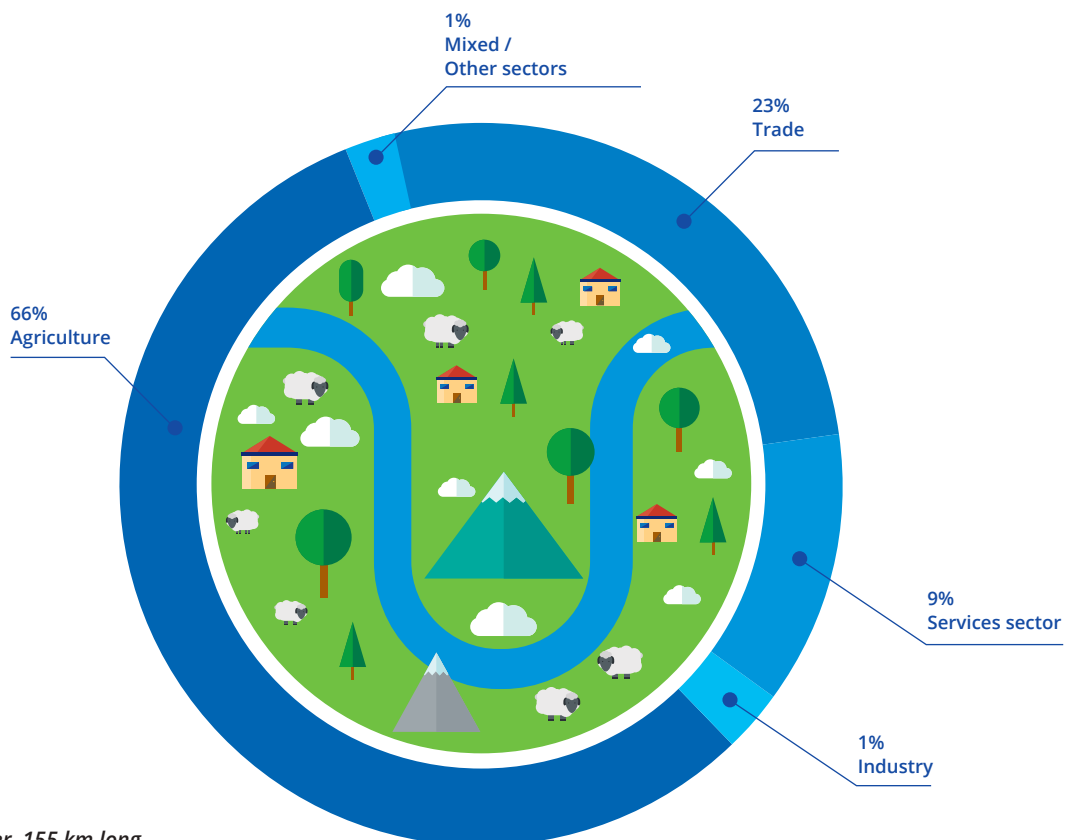
Under this program, the Bank was given a limit in the amount of 2 million Euro, in 2014 the bank received the first tranche in the amount of 1 million Euro in som equivalent to finance borrowers, the remaining amount was received in 2015.

One of the main goals of this program in the bank is to provide on the ongoing basis financing in KGS for women-entrepreneurs.

Funding of the ultimate borrowers is carried out in the national currency of the Kyrgyz Republic by the current bank offices located in the regions of the Kyrgyz Republic.

Funding is only for the borrowers doing business in rural areas. In 2015 206 million soms were granted to various activities from its own funds and funds of this program.

The structure of the loans granted by sectors



— Chatkal River, 155 km long.

Facts of interest: The Chatkal River flows through the marvelous beauty of the Besh-Aral reserve. The river is also of interest to the fans of rafting and has the 5th category of complexity of the route.

Security

Countering financing of terrorism and legalization (laundering) of proceeds from crime

OJSC "Commercial bank KYRGYZSTAN" continues to implement measures to strengthen control, provided by the Law of the Kyrgyz Republic "On counteraction to legalization (laundering) of proceeds from crime and financing of terrorist or extremist activity" (hereinafter - PODFTE) and establishment of an adequate system of internal control in this area on a regular basis.

During 2015 OJSC "Commercial bank KYRGYZSTAN", introduced amendments in the basic policies governing the anti-terrorism and extremism financing and money laundering, as well establishing the order of activities within the US law FATCA (Foreign Account Tax Compliance Act). In order to comply with the requirements of "FATCA", amendments were made in the typical contracts of individuals and legal entities.

The Bank progressively improves the KYC technique (Know Your Client - KYC) through the introduction of additional regulations and requirements.

Developed new testing formats for the bank employees within PODFTE requirements and conducted training seminars on PODFTE with field visits, which also carried out inspections and practical assistance for the branches' activity.

The Bank, in its activities, continues to strive to maintain high standards of internal control in the field of PODFTE in carrying out its activities on providing financial services to the Bank's customers.

IT security

OJSC "Commercial bank KYRGYZSTAN" pays great attention to improving information security.

All of the Bank's information systems are subject to thorough and regular monitoring as to their reliability and security.

The Bank uses the most advanced mechanisms for restricting access to information systems and data, installed anti-virus protection, intrusion detection and firewall.

We pay great attention to prevention of attempts to harm our clients both outside and against insiders.



Rafting

Correspondent relations

OJSC "Commercial bank KYRGYZSTAN" pays great attention to expansion of the correspondent network with foreign banks and is an active participant of the international payments market.

The establishment of direct correspondent relations between banks stipulates the possibility of direct transfers through the SWIFT system. Working in the SWIFT network is a quick way to send messages anywhere in the world in real time.

To date the Bank has established correspondent relations with the largest banks in Europe, Asia and CIS countries. OJSC "Commercial bank KYRGYZSTAN" was one of the first bank in Kyrgyzstan that has established partnership with the Agricultural Bank of China and Bank of China.

CORRESPONDENT BANKS:

Countries of the far abroad:

VTB Bank (Deutschland) AG (Germany)

Raiffeisen Bank International AG (Austria)

Agricultural Bank of China (Xinjiang Nongken Branch) (China)

Bank of China Head Office (China)

Türkiye İş Bankası A.Ş. (Turkey)

Kookmin bank (South Korea)

CIS countries:

JSC "Halyk Bank of Kazakhstan" (Kazakhstan)

JSC "KazKommertsBank" (Kazakhstan)

PAO "Sberbank of Russia" (Russia)

PAO "Alfa Bank" (Russia)

PAO "VTB Bank" (Russia)



National game Kyz Kuumai (girl pursuit)

Foreign currency transactions

Foreign currency transactions are one of the most profitable items of revenues of activities. The Bank executes transactions on customer accounts in foreign currency, non-commercial operations, establishes correspondent relations with top class international financial institutions, performs international payments related to exports and imports of goods and services, purchase and sale of foreign currency on the domestic foreign exchange market, as well as foreign currency hedging (SWAP transactions), raises and places the hard currency in the country, provides credit, deposit and conversion operations on the international money markets. The Bank has positioned itself as one of the most active and major participants of the interbank foreign exchange market of the Kyrgyz Republic.

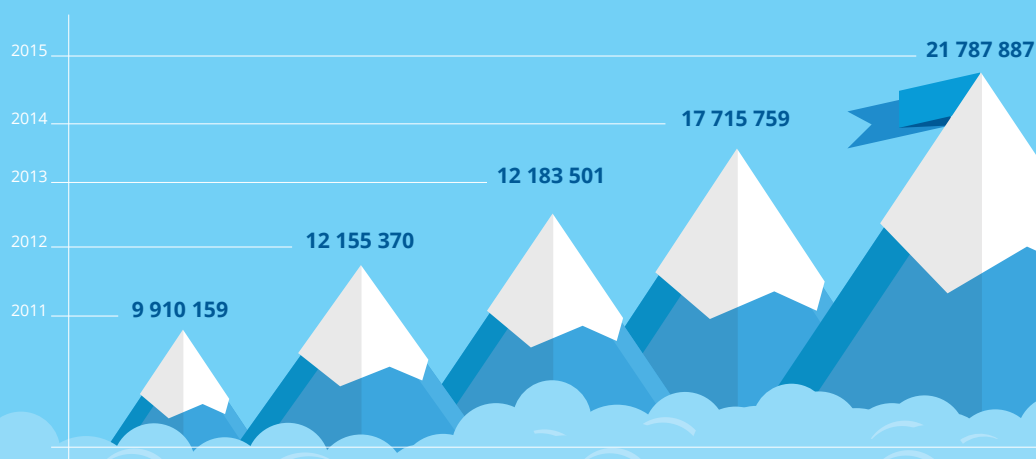
Remittances

OJSC "Commercial bank KYRGYZSTAN" for the convenience of its customers provides money transfer services around the world without opening an account.

We are working in the 9 money transfer systems: Argymak, Western Union, UNISStream, Contact, Blizko, Zolotaya Korona, Leader, Faster and Money Gram.

The money transfer systems are represented in all the Bank's offices throughout the Republic. According to these systems, the customers can transfer money anywhere in the world without opening a checking account.

The amount paid by money transfer in KGS (thousand KGS)



■ *Kakshaal Too Ridge, 582 km long, Pobeda Peak is the highest point, 7439 m.*



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INDEPENDENT AUDITOR'S REPORT

To Shareholders and Board of Directors of OJSC "Commercial bank KYRGYZSTAN":

We have audited the accompanying financial statements of Open Joint Stock Company "Commercial bank KYRGYZSTAN" (hereinafter referred to as the "Bank"), which comprises the statement of financial position as of December 31, 2015, and statements of profit and loss and other comprehensive income, statements of changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant provisions of the accounting policies and other explanatory information.

Management's responsibility for financial statements

Management is responsible for preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as well as for internal control system that the management determines necessary to enable preparation of financial statements free from material misstatement due to fraud or errors.

Auditor's responsibility

Our responsibility is to express an opinion on the fairness of the financial statements based on our audit. We have conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with the code of ethics and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidences supporting the amounts in the financial statements and the disclosure of information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In assessing these risks, the auditor considers internal control system over the preparation and fair presentation of the financial statements to develop audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control system. The audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidences that we have obtained are sufficient and appropriate for our opinion.

Opinion

In our opinion, the financial statements have been presented fairly, in all material respects, the financial position of Open Joint Stock Company "Commercial bank KYRGYZSTAN" as of December 31, 2015, as well as its financial performance and its cash flows for 2015 in accordance with International Financial Reporting Standards.

March 22, 2016.
Bishkek, Kyrgyz Republic



(in thousands of Kyrgyz soms)

On behalf of the Management Board:

March 22, 2016
Bishkek, Kyrgyz Republic

March 22, 2016
Bishkek, Kyrgyz Republic

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2015

(in thousands of Kyrgyz soms)

	Notes	Year ended December 31 2015	Year ended December 31 2014
Interest income	17,26	1,175,690	1,028,366
Interest expenses	17,26	(584,351)	(415,669)
NET INTEREST INCOME BEFORE PROVISION FOR IMPAIRMENT LOSSES ON ASSETS BEARING INTEREST	17	591,339	612,697
Provision for impairment losses on assets bearing interest	18	(84,251)	(29,811)
NET INTEREST INCOME	–	507,088	582,886
Fee and commissions income	19	249,071	245,267
Fee and commission expenses	19	(28,434)	(59,416)
Net gain on foreign exchange operations	20	153,136	126,680
Other income	–	2,569	4,299
NET NON-INTEREST INCOME	–	376,342	316,830
OPERATING INCOME	–	883,430	899,716
OPERATING EXPENSES	21	(786,050)	(688,098)
OPERATING PROFIT		97,380	211,618
Provision for impairment losses on other transactions	18	(1,381)	(4,735)
PROFIT BEFORE TAX		95,999	206,883
Income tax expense	22	(8,755)	(20,600)
NET PROFIT	–	87,244	186,283
TOTAL COMPREHENSIVE INCOME	–	87,244	186,283

On behalf of the Management Board:



Mr. ILEBAEV N.E.
Chairman of the Board

March 22, 2016
Bishkek, Kyrgyz Republic




Ms. Dzhenbaeva E.T.
Chief Accountant

March 22, 2016
Bishkek, Kyrgyz Republic

(in thousands of Kyrgyz soms)

	Notes	Share capital	Additional paid-in capital	Retained earnings	Total capital
As of January 1, 2014	–	622,243	414	241,237	863,894
Issue of ordinary shares	–	513	(513)	–	–
Total comprehensive income for the year	–	–	–	186,283	186,283
Dividends declared	16	–	–	(70,447)	(70,447)
Transfer of retained earnings into authorized capital and additional paid-in capital	–	159,231	449	(159,680)	–
As of December 31, 2014	–	781,987	350	197,393	979,730
Issue of ordinary shares	16	808	(808)	–	–
Total comprehensive income for the year	–	–	–	87,244	87,244
Dividends declared	–	–	–	(47,149)	(47,149)
Transfer of retained earnings into authorized capital and additional paid-in capital	16	138,515	619	(139,134)	–
As of December 31, 2015	–	921,310	161	98,354	1,019,825

March 22, 2016
Bishkek, Kyrgyz Republic

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2015.

(in thousands of Kyrgyz soms)

	Notes	Year ended December 31 2015	Year ended December 31 2014
CASH FLOWS FROM OPERATING ACTIVITIES:			
Interest received	–	1,171,673	1,024,366
Interest paid	–	(577,283)	(421,503)
Fee and commission income	–	248,767	259,901
Fee and commission paid	–	(28,434)	(59,408)
Net receipts from trading in foreign currencies	20	146,360	123,357
Other income received	–	455	3,333
Operating expenses paid	–	(711,787)	(623,364)
Cash flows from operating activities before changes in net operating assets	–	249,751	306,682
Changes in operating assets and liabilities:			
(Increase) / loss in operating assets:			
Due from other financial institutions	–	(391,222)	(70,516)
Loans to customers	–	499,661	(836,894)
Other assets	–	(15,933)	(76,481)
Increase / (loss) in operating liabilities:			
Due to other financial institutions	–	26,578	733,440
Customer deposits	–	1,828,408	433,592
Financial liabilities at fair value through profit or loss	–	(54,683)	442
Other liabilities	–	18,548	13,715
Net cash inflow from operating activities before income tax	–	2,161,108	503,980
Income tax paid	–	(12,120)	(17,535)
Net cash inflow from operating activities	–	2,148,988	486,445

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2015.

(in thousands of Kyrgyz soms)

	Notes	Year ended December 31 2015	Year ended December 31 2014
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment	10	(133,383)	(206,495)
Proceeds on sale of property and equipment	–	1,070	346
Purchase of investments held-to-maturity	–	(381,468)	(671,460)
Proceeds from maturity of investments held-to-maturity	–	286,524	634,495
Net cash outflow from investing activities	–	(227,257)	(243,114)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from other borrowed funds	–	68,387	169,690
Repayment of other borrowed funds	–	(296,870)	(121,586)
Dividends paid	–	(47,030)	(68,922)
Net cash outflow from financing activities	–	(275,513)	(20,818)
Effects of exchange rate changes on cash and cash equivalents	–	505,211	43,869
Net change in cash and cash equivalents	–	2,151,429	266,382
CASH AND CASH EQUIVALENTS, for the beginning of the year	6	2,154,829	1,888,447
CASH AND CASH EQUIVALENTS, for the end of the year	6	4,306,258	2,154,829

On behalf of the Management Board:

Mr. ILEBAEV N.E.
Chairman of the Board

March 22, 2016
Bishkek, Kyrgyz Republic



Ms. Dzhenaeva E.T.
Chief Accountant

March 22, 2016
Bishkek, Kyrgyz Republic