



Damu Entrepreneurship Development Fund JSC

**Condensed Interim Financial Information
(unaudited)**

30 June 2015

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REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

CONDENSED INTERIM FINANCIAL INFORMATION

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REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholder, the Board of Directors and the Management Board of Damu Entrepreneurship Development Fund JSC

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Damu Entrepreneurship Development Fund JSC (the "Fund") as of 30 June 2015 and the related condensed statements of profit and loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting".

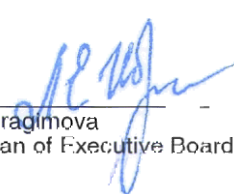
Price Waterhouse Coopers LLP

Almaty, Kazakhstan
3 August 2015

Damu Entrepreneurship Development Fund JSC
Condensed Interim Statement of Financial Position

| | Notes | 30 June 2015 (unaudited) | 31 December 2014 |
|--|-------|-----------------------------|--------------------|
| <i>In thousands of Kazakhstani Tenge</i> | | | |
| ASSETS | | | |
| Cash and cash equivalents | 5 | 23,333,310 | 20,831,371 |
| Securities at fair value through profit or loss | 6 | 7,831,573 | 9,605,641 |
| Due from financial institutions | 7 | 194,266,130 | 177,779,614 |
| Receivables on subsidy programs | | 33,866 | 38,552 |
| Loans and advances to customers | 8 | 90,734 | 104,792 |
| Investment securities available for sale | 9 | 2,663,804 | 2,538,843 |
| Premises and equipment | 10 | 3,286,212 | 2,657,308 |
| Intangible assets | | 229,784 | 203,724 |
| Current income tax assets | | 5,439,981 | 5,271,880 |
| Deferred income tax asset | | 567,902 | 440,574 |
| Other assets | 11 | 3,337,918 | 3,581,645 |
| TOTAL ASSETS | | 241,081,214 | 223,053,944 |
| LIABILITIES | | | |
| Borrowed funds | 12 | 140,036,717 | 124,495,453 |
| Liabilities on subsidy programs | 13 | 12,695,708 | 6,047,164 |
| Deferred income and provision for credit related commitments | 14 | 2,771,269 | 8,927,402 |
| Other liabilities | 15 | 880,940 | 441,184 |
| TOTAL LIABILITIES | | 156,384,634 | 139,911,203 |
| EQUITY | | | |
| Share capital | 16 | 72,920,273 | 72,920,273 |
| Additional paid-in-capital | | 834,527 | 834,527 |
| Revaluation reserve for investment securities available for sale | | 125,418 | 5,447 |
| Other reserves | | 316,430 | 316,430 |
| Retained earnings | | 10,499,932 | 9,066,064 |
| TOTAL EQUITY | | 84,696,580 | 83,142,741 |
| TOTAL LIABILITIES AND EQUITY | | 241,081,214 | 223,053,944 |

Approved for issue and signed on behalf of the Management Board on 3 August 2015.


 Lyazzat Ibragimova
 Chairwoman of Executive Board




 Aigul Kusaiynova
 Chief Accountant

Damu Entrepreneurship Development Fund JSC
Condensed Interim Statement of Profit and Loss and Other Comprehensive Income

| <i>In thousands of Kazakhstani Tenge</i> | Notes | Six months ended | |
|--|-------|--------------------------|--------------------------|
| | | June 2015 (unaudited) | June 2014 (unaudited) |
| Interest income | 17 | 8,640,108 | 5,883,766 |
| Interest expense | 17 | (3,221,215) | (2,315,100) |
| Net interest income | | 5,418,893 | 3,568,666 |
| Recovery of provision for impairment of loans to customers and due from financial institutions | 7, 8 | 251,373 | 182,573 |
| Net interest income after recovery of provision for loan impairment | | 5,670,266 | 3,751,239 |
| Fee and commission income | | 912,603 | 904,494 |
| Gains less losses from financial derivatives | 18 | 636,230 | - |
| Losses less gains from securities at fair value through profit or loss | | (263,865) | (141,450) |
| Net loss on initial recognition of financial instruments at rates below market | 19 | (404,812) | (615,869) |
| Foreign exchange loss, net | | (473,651) | (32,477) |
| Recovery of impairment of investment securities available for sale | | - | 935 |
| Provision/(recovery) for credit related commitments and other assets | | (467,838) | 17,208 |
| Other operating (expenses)/income | | (331,136) | 58,712 |
| Payroll expenses | | (1,033,149) | (880,562) |
| General and administrative expenses | | (933,989) | (972,365) |
| Profit before tax | | 3,310,659 | 2,089,865 |
| Income tax expense | 20 | (634,124) | (529,471) |
| Profit for the period | | 2,676,535 | 1,560,394 |
| Other comprehensive income: | | | |
| Available for sale investments: | | | |
| - Gains less losses arising during the period | | - | (19,268) |
| - Gains less losses recycled to profit or loss upon disposal and impairment | | 119,971 | (935) |
| Other comprehensive income | | 119,971 | (20,203) |
| Total comprehensive income for the period | | 2,796,506 | 1,540,191 |

Profit and total comprehensive income for both interim periods is fully attributable to the Fund's owners.

Damu Entrepreneurship Development Fund JSC
Condensed Interim Statement of Changes in Equity

| | Share capital | Additional paid-in-capital | Revaluation reserve for available for sale securities | Other reserves | Retained earnings | Total |
|---|-------------------|----------------------------|---|----------------|-------------------|-------------------|
| <i>In thousands of Kazakhstani Tenge</i> | | | | | | |
| Balance at 1 January 2014 | 72,920,273 | 834,527 | 27,460 | 316,430 | 5,971,230 | 80,069,920 |
| Profit for the period | - | - | - | - | 1,560,394 | 1,560,394 |
| Other comprehensive income | - | - | (20,203) | - | - | (20,203) |
| Total comprehensive income for the six months ended 30 June 2014 | - | - | (20,203) | - | 1,560,394 | 1,540,191 |
| Dividends declared for 2013 | - | - | - | - | (1,046,586) | (1,046,586) |
| Balance at 30 June 2014 | 72,920,273 | 834,527 | 7,257 | 316,430 | 6,485,038 | 80,563,525 |
| Balance at 1 January 2015 | 72,920,273 | 834,527 | 5,447 | 316,430 | 9,066,064 | 83,142,741 |
| Profit for the period | - | - | - | - | 2,676,535 | 2,676,535 |
| Other comprehensive income | - | - | 119,971 | - | - | 119,971 |
| Total comprehensive income for the six months ended 30 June 2015 | - | - | 119,971 | - | 2,676,535 | 2,796,506 |
| Dividends declared for 2014 | - | - | - | - | (1,242,667) | (1,242,667) |
| Balance at 30 June 2015 | 72,920,273 | 834,527 | 125,418 | 316,430 | 10,499,932 | 84,696,580 |

The notes set out on pages 5 to 19 form an integral part of these condensed interim financial information.

Damu Entrepreneurship Development Fund JSC
Condensed Interim Statement of Cash Flows

| | Six months ended | |
|--|-----------------------------|-----------------------------|
| | 30 June 2015 (unaudited) | 30 June 2014 (unaudited) |
| <i>In thousands of Kazakhstani Tenge</i> | | |
| Cash flows from operating activities | | |
| Interest received | 5,729,794 | 4,559,654 |
| Interest paid | (1,393,130) | (1,818,353) |
| Commission received | 1,709,327 | 541,211 |
| Cash inflows from other operating activities | 52,121 | 27,754 |
| Payroll costs paid | (949,712) | (979,533) |
| General and administrative expenses paid | (261,798) | (1,010,140) |
| Cash flows from operating activities before changes in operating assets and liabilities | 4,886,602 | 1,320,593 |
| <i>Net (increase)/decrease in:</i> | | |
| - securities at fair value through profit or loss | 1,504,036 | - |
| - due from financial institutions | (57,608,456) | (91,641,233) |
| - loans and advances to customers | 205,000 | 133,571 |
| - other assets | (225,141) | (246,771) |
| <i>Net increase/(decrease) in:</i> | | |
| - deferred income and liabilities on financial guarantees | 113,738 | - |
| - other liabilities | 123,792 | 372,677 |
| Net cash from operating activities | (51,000,429) | (90,061,163) |
| Cash flows from investing activities | | |
| Acquisition of premises and equipment | (771,142) | (398,007) |
| Acquisition of intangible assets | (60,576) | (28,519) |
| Proceeds from disposal of associates | 300 | - |
| Net cash from/(used in) investing activities | (831,418) | (426,526) |
| Cash flows from financing activities | | |
| Proceeds from borrowed funds | 52,500,000 | 100,000,000 |
| Repayment of borrowed funds | (3,606,798) | (9,969,383) |
| Proceeds from subsidy programs | 18,736,558 | 23,208,212 |
| Repayments on subsidy programs | (12,052,866) | (12,201,844) |
| Dividends paid | (1,242,667) | (1,046,586) |
| Net cash used in financing activities | 54,334,227 | 99,990,399 |
| Effect of exchange rate changes on cash and cash equivalents | (441) | - |
| Net increase in cash and cash equivalents | 2,501,939 | 9,502,710 |
| Cash and cash equivalents at the beginning of the period | 20,831,371 | 12,568,964 |
| Cash and cash equivalents at the end of the period | 23,333,310 | 22,071,674 |

The notes set out on pages 5 to 19 form an integral part of these condensed interim financial information.

1 Introduction

"Damu" Entrepreneurship Development Fund JSC (the "Fund") was established in accordance with a Decree of the Government of the Republic of Kazakhstan #665 dated 26 April 1997. The Fund is incorporated and domiciled in the Republic of Kazakhstan as a joint stock company and provides financial services.

In accordance with a Decree of the President dated 22 May 2013 #571 "Concerning Some Actions on the Optimisation of Management System by Development Institutions, Financial Organizations and National Economy Development" and a Decree of the Government dated 25 May 2013 #516 "Concerning Actions on the Implementation of Decree of the President of the Republic of Kazakhstan dated 22 May 2013, Sovereign Wealth Fund "Samruk Kazyna" JSC legally transferred ownership over the Fund to National Managing Holding "Baiterek" JSC on 28 August 2013.

National Managing Holding "Baiterek" JSC is a direct parent (the "Parent") of the Fund.

The Fund is ultimately controlled by the Government of the Republic of Kazakhstan. Information on transactions with related parties is presented in Note 22.

Principal activity. The main activity of the Fund is lending to small and medium size enterprises and microfinance organisations through funding of commercial banks. Credit risk on loans to end-borrowers is transferred to commercial banks. The Fund uses its own and borrowed funds to finance small and medium sized entities throughout Kazakhstan.

The Fund has 16 regional branches. The Head office is located in Almaty, Kazakhstan.

Registered address and place of business. The Fund's registered address is: Gogol Street, building 111, Almaty, Kazakhstan.

Presentation currency. These financial statements are presented in Kazakhstani Tenge, unless otherwise stated.

2 Operating Environment of the Fund

Republic of Kazakhstan. The economy of the Republic of Kazakhstan displays some characteristics inherent to emerging markets. These characteristics include, but are not limited to, the existence of a currency that is not freely convertible outside of the country, a low level of liquidity in the public and private debt and equity markets and lack of market conformity and transparency. The economy is especially sensitive to fluctuation in prices of mineral resources, particularly, of oil and gas. The tax, currency and customs legislation of the Republic of Kazakhstan continue to develop and are subject to varying interpretations. Refer to Note 21.

The Kazakhstan economy is highly connected with economy of the Russian Federation. The negative impact on the Russian economy, due to recent political and economic turmoil witnessed in Russian Federation region, in particular the developments in Ukraine, including current and future international sanctions against Russian companies may have a significant impact on the economy of Kazakhstan, the effect of which is difficult to predict. The Russian Rouble has significantly devalued starting from November 2014.

The remaining uncertainty and volatility of the financial markets and other risks could have negative impact on the Kazakhstan financial and corporate sector. The future economic and regulatory situation may differ from management's expectations. These prospects for future economic stability in Kazakhstan in 2015-2016 are largely dependent upon the effectiveness of a range of measures undertaken by the Government. There remains the possibility of unpredictable changes in the financial and economic environment that may have an adverse effect on the Fund's operations.

Management is unable to predict all developments which could have an impact on the banking sector and wider economy and consequently what effect, if any, they could have on the future financial position of the Fund. Management believes it is taking all the necessary measures to support the sustainability and development of the Fund's business.

On 11 February 2014, National Bank of Republic of Kazakhstan (the "NBRK") stopped supporting the Tenge exchange rate and decreased currency interventions. As a result, the exchange rate depreciated to 185 Tenge for 1 USD or approximately 19%. This situation hasn't caused any material effect on the Fund's financial position, as the Fund did not have significant open foreign currency positions.

3 Summary of Significant Accounting Policies

Basis of preparation. This condensed interim financial information has been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" and should be read in conjunction with the annual financial statements of the Fund for the year ended 31 December 2014, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Except as described below, the same accounting policies and methods of computation were followed in the preparation of this condensed interim financial information as were disclosed in the annual financial statements for the year ended 31 December 2014. Certain new standards, interpretations and amendments to the existing standards, as disclosed in the financial statements for the year ended 31 December 2014, became effective for the Fund from 1 January 2015. These have not significantly affected the condensed interim financial information of the Fund.

Interim period tax measurement. Interim period income tax expense is accrued using the effective tax rate that would be applicable to expected total annual earnings, that is, the estimated weighted average annual effective income tax rate applied to the pre-tax income of the interim period.

4 Critical Accounting Estimates, and Judgements in Applying Accounting Policies

The preparation of condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgements made by management in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2014.

Fair value of derivatives and certain other instruments. In October 2014 the Fund received a loan from Asian Development Bank for the amount of USD 122 million with an interest rate of 0.57% and maturity in October 2019 within Small and Medium Enterprise Investment Program – Tranche II. The funds were fully distributed as loans denominated in Kazakhstani Tenge to certain Kazakh commercial banks with an interest rate of 7% and maturity on October 2019 within aforementioned program. Refer to Note 12.

To minimise the arising currency risk the Fund entered into five-year fixed rate SWAP agreements with two commercial banks. The Fund calculated the fair value of the SWAP at reporting date, resulting in fair value of derivatives of Tenge 2,097,570 thousand and a gain in the amount of Tenge 636,230 thousand recognised in profit and loss for the period. When calculating fair value, the Fund utilised discounted cash flow model with risk-free rates for US dollars and Kazakhstani Tenge adjusted to Kazakhstan country risk premium. Refer to Notes 11 and 18.

Initial recognition of related party transactions. In the normal course of business the Fund enters into transactions with its related parties. IAS 39 requires initial recognition of financial instruments based on their fair values. Judgement is applied in determining if transactions are priced at market or nonmarket interest rates, where there is no active market for such transactions. The basis for judgement is pricing for similar types of transactions with unrelated parties and effective interest rate analysis. Terms and conditions of related party balances are disclosed in Note 22.

Initial recognition of financial instruments issued at rates below market. In the normal course of business from time to time the Fund enters into transactions at rates below market. IAS 39 requires initial recognition of financial instruments based on their fair values. Judgment is applied in determining if transactions are priced at market or non-market interest rates.

In January 2015, the Fund distributed borrowed funds received in December 2014 from its Parent, Baiterek, within a governmental program to support development of Small and Medium Entrepreneurship in Manufacturing Industry for Tenge 10 billion to a certain Kazakh commercial banks carrying a 2% interest rate and a maturity of twenty years. The Management of the Fund used its judgment in determining market rates for each commercial bank, in which funds were allocated. The Management used specific credit risk for each bank based on their credit ratings applying released Credit Default Spread. Credit Default Spreads adjusted by basic rate of 6.06%, determined through yield for 10 year government bonds extrapolated for 20 years. This lead to a loss at initial recognition of Tenge 7,142,557 thousand. Refer to Notes 7 and 19. In addition, deferred income on loan received from the Parent was recognised as a gain at initial recognition of Tenge 7,032,896 thousand. Refer to Notes 14 and 19.

4 Critical Accounting Estimates, and Judgements in Applying Accounting Policies (Continued)

In March 2015, Fund received borrowed funds from its Parent, Baiterek, within a governmental program to support development of Small and Medium Entrepreneurship in Manufacturing Industry for Tenge 50 billion at a rate below market, 0.15%, for a twenty year term. The management applied its judgment in determining market rate, using yield to maturity of government bonds further extrapolated for twenty years using linear regression. The rate of 6.71% was applied to determine the fair value of borrowings received. This lead to a gain at initial recognition of Tenge 35,504,774 thousand. Refer to Notes 12 and 19.

Under the same government program those funds received were distributed to a certain Kazakh commercial banks carrying a 2% interest rate and a maturity of twenty years. The Management of the Fund used its judgment in determining market rates for each commercial bank, in which funds were allocated. The Management used specific credit risk for each bank based on their credit ratings applying released Credit Default Spread. Credit Default Spreads adjusted by basic rate of 6.27%, determined through yield for 10 year government bonds extrapolated for 20 years. This lead to a loss at initial recognition of Tenge 35,799,926 thousand. Refer to Notes 7 and 19.

5 Cash and Cash Equivalents

| <i>In thousands of Kazakhstani Tenge</i> | 30 June 2015 | 31 December 2014 |
|---|---------------------|-------------------------|
| Current accounts with banks | 23,331,392 | 10,828,658 |
| Cash on hand | 1,899 | 805 |
| Cash balances with the NBRK (other than mandatory reserve deposits) | 19 | 10,001,908 |
| Total cash and cash equivalents | 23,333,310 | 20,831,371 |

Analysis by credit quality of cash in current bank accounts is as follows:

| <i>In thousands of Kazakhstani Tenge</i> | 30 June 2015 | 31 December 2014 |
|--|---------------------|-------------------------|
| - National Bank of Kazakhstan | 19 | 10,001,908 |
| - BBB- to BBB+ rated | 40,736 | 1,076,228 |
| - BB- to BB+ rated | 5,360,760 | 479,795 |
| - B- to B+ rated | 17,521,630 | 8,826,448 |
| - CCC- to CCC+ rated | 406,300 | 317,384 |
| - Unrated | 1,966 | 128,803 |
| Total cash and cash equivalents, excluding cash on hand | 23,331,411 | 20,830,566 |

The credit ratings are based on Standard & Poor's ratings, where available, or Moody's rating converted to the nearest equivalent on the Standard & Poor's rating scale.

6 Securities at Fair Value through Profit or Loss

| <i>In thousands of Kazakhstani Tenge</i> | 30 June 2015 | 31 December 2014 |
|--|---------------------|-------------------------|
| Kazakhstani government bonds | 3,268,474 | 4,826,571 |
| Corporate bonds | 4,563,099 | 4,779,070 |
| Total securities at fair value through profit or loss | 7,831,573 | 9,605,641 |

The Fund irrevocably designated the above securities at the initial recognition as at fair value through profit or loss. They are managed and evaluated on their fair values basis in accordance with a strategy documented in the Investment policy.

Securities designated at fair value through profit or loss are carried at fair value which also reflects any credit risk related write-downs.

6 Securities at Fair Value through Profit or Loss (Continued)

Analysis by credit quality of securities designated at fair value through profit or loss outstanding at 30 June 2015 is as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Kazakhstani government bonds | Corporate bonds | Total |
|--|---|------------------------|------------------|
| <i>Neither past due nor impaired</i> | | | |
| - BBB- to BBB+ rated | 3,268,474 | - | 3,268,474 |
| - BB- to BB+ rated | - | 2,386,800 | 2,386,800 |
| - B- to B+ rated | - | 2,176,299 | 2,176,299 |
| Total debt securities at fair value through profit or loss, neither past due nor impaired | 3,268,474 | 4,563,099 | 7,831,573 |

Analysis by credit quality of securities at fair value through profit or loss outstanding at 31 December 2014 is as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Kazakhstani government bonds | Corporate bonds | Total |
|--|---|------------------------|------------------|
| <i>Neither past due nor impaired</i> | | | |
| - BBB- to BBB+ rated | 4,826,571 | 2,325,024 | 7,151,595 |
| - BB- to BB+ rated | - | 1,592,016 | 1,592,016 |
| - B- to B+ rated | - | 862,030 | 862,030 |
| Total debt securities at fair value through profit or loss, neither past due nor impaired | 4,826,571 | 4,779,070 | 9,605,641 |

The credit ratings are based on Standard & Poor's ratings where available or Moody's rating converted to the nearest equivalent on the Standard & Poor's rating scale.

7 Due from Financial Institutions

| <i>In thousands of Kazakhstani Tenge</i> | 30 June 2015 | 31 December 2014 |
|--|---------------------|-------------------------|
| Loans given to financial institutions | 191,392,886 | 174,283,096 |
| Placements with other banks with original maturities of more than three months | 4,391,367 | 5,019,641 |
| Less: Provision for loan portfolio impairment | (1,518,123) | (1,523,123) |
| Total due from financial institutions | 194,266,130 | 177,779,614 |

In January and March 2015, within a governmental program to support development of Small and Medium Entrepreneurship in Manufacturing Industry, Tenge 10 billion and Tenge 50 billion respectively were distributed to a certain Kazakh commercial banks carrying a 2% interest rate and a maturity of twenty years. As interest rate is below the market loans were recognised at discount resulting in loss on initial recognition of Tenge 7,142,557 thousand and Tenge 35,799,926 thousand respectively. Refer to Note 19.

7 Due from Financial Institutions (Continued)

Analysis by credit quality of due from financial institutions accounts at 30 June 2015 is as follows:

| | Loans given to financial institutions | Placements with other banks with original maturities of more than three months | Total |
|--|---|--|--------------------|
| <i>In thousands of Kazakhstani Tenge</i> | | | |
| <i>Neither past due nor impaired</i> | | | |
| - BB- to BB+ rated | 35,088,213 | - | 35,088,213 |
| - B- to B+ rated | 123,742,404 | 4,391,367 | 128,133,771 |
| - CCC- to CCC+ rated | 25,909,752 | - | 25,909,752 |
| - Unrated | 5,134,394 | - | 5,134,394 |
| Total neither past due nor impaired | 189,874,763 | 4,391,367 | 194,266,130 |
| <i>Balances individually determined to be impaired</i> | | | |
| - over 360 days overdue | 1,518,123 | - | 1,518,123 |
| Total individually impaired | 1,518,123 | - | 1,518,123 |
| Less: Provision for loan portfolio impairment | (1,518,123) | - | (1,518,123) |
| Total due from financial institutions | 189,874,763 | 4,391,367 | 194,266,130 |

The credit ratings are based on Standard & Poor's ratings where available or Moody's rating converted to the nearest equivalent on the Standard & Poor's rating scale. Amounts due from financial institutions are not collateralised.

Analysis by credit quality of due from financial institutions accounts at 31 December 2014 is as follows:

| | Loans given to financial institutions | Placements with other banks with original maturities of more than three months | Total |
|--|---|--|--------------------|
| <i>In thousands of Kazakhstani Tenge</i> | | | |
| <i>Neither past due nor impaired</i> | | | |
| - BBB- to BBB+ rated | 14,920,578 | - | 14,920,578 |
| - BB- to BB+ rated | 9,022,076 | 829,426 | 9,851,502 |
| - B- to B+ rated | 132,825,187 | 3,526,784 | 136,351,971 |
| - CCC- to CCC+ rated | 10,810,589 | 663,431 | 11,474,020 |
| - Unrated | 5,181,543 | - | 5,181,543 |
| Total neither past due nor impaired | 172,759,973 | 5,019,641 | 177,779,614 |
| <i>Balances individually determined to be impaired</i> | | | |
| - over 360 days overdue | 1,523,123 | - | 1,523,123 |
| Total individually impaired | 1,523,123 | - | 1,523,123 |
| Less: Provision for loan portfolio impairment | (1,523,123) | - | (1,523,123) |
| Total due from financial institutions | 172,759,973 | 5,019,641 | 177,779,614 |

7 Due from Financial Institutions (Continued)

Movements in the provision for loan impairment for corresponding periods are as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Loans given to financial institutions | |
|--|--|--|
| | Six months ended 30 June 2015 | Six months ended 30 June 2014 |
| Provision for loan impairment at 1 January | 1,523,123 | 1,661,137 |
| Recovery of impairment during the period | (5,000) | - |
| Provision for impairment at the end of the period | 1,518,123 | 1,661,137 |

8 Loans and Advances to Customers

| <i>In thousands of Kazakhstani Tenge</i> | 30 June 2015 | 31 December 2014 |
|--|---------------------|-------------------------|
| Loans to small and medium size entities | 1,475,001 | 1,533,091 |
| Loans to microfinance organisations | 1,311,285 | 1,353,780 |
| Net investments in finance lease | 191,303 | 207,642 |
| Loans to others | 33,170 | 44,594 |
| Less: Provision for loan impairment | (2,920,025) | (3,034,315) |
| Total loans and advances to customers, net of provision | 90,734 | 104,792 |

Movements in the provision for loan impairment during the six months ended 30 June 2015 are as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Loans to small and medium size entities | Loans to microfinance organisations | Net investments in finance lease | Loans to others | Total |
|--|--|--|---|----------------------------|------------------|
| Provision for impairment at 1 January 2015 | 1,493,530 | 1,335,404 | 205,381 | - | 3,034,315 |
| Recovery of impairment during the period | (57,055) | (42,806) | (14,429) | - | (114,290) |
| Provision for loan impairment at 30 June 2015 | 1,436,475 | 1,292,598 | 190,952 | - | 2,920,025 |

The recovery of provision for impairment during the period differs from the amount presented in the statement of profit and loss and other comprehensive income for the period due to Tenge 132,083 thousand, recovery of amounts previously written off as uncollectible. The amount of the recovery was credited directly to the provisions line in profit or loss for the period.

Movements in the provision for loan impairment during the six months ended 30 June 2014 are as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Loans to small and medium size entities | Loans to microfinance organisations | Net investments in finance lease | Loans to others | Total |
|--|--|--|---|----------------------------|------------------|
| Provision for impairment at 1 January 2014 | 1,594,997 | 1,442,913 | 237,830 | 11,231 | 3,286,971 |
| Recovery of provision for impairment during the period | (42,009) | (29,147) | (27,054) | - | (98,210) |
| Amounts written off during the year as uncollectible | (550) | - | - | - | (550) |
| Provision for loan impairment at 30 June 2014 | 1,552,438 | 1,413,766 | 210,776 | 11,231 | 3,188,211 |

8 Loans and Advances to Customers (Continued)

Reconciliation of recovery of provision for impairment:

| <i>In thousands of Kazakhstani Tenge</i> | Notes | Six months ended 30 June 2015 | Six months ended 30 June 2014 |
|---|-------|----------------------------------|----------------------------------|
| Recovery of impairment for loans and advances to customers | | 246,373 | 183,123 |
| Recovery of impairment for due from financial institutions | 7 | 5,000 | - |
| Direct write-off of loans and advances to customers to losses | | - | (550) |
| Recovery of provision for impairment of loans to customers and due from financial institutions | | 251,373 | 182,573 |

9 Investment Securities Available for Sale

| <i>In thousands of Kazakhstani Tenge</i> | 30 June 2015 | 31 December 2014 |
|---|------------------|------------------|
| Corporate bonds | 5,755,501 | 5,904,349 |
| Less: Provision for loan impairment | (3,091,697) | (3,365,506) |
| Total investment securities available for sale | 2,663,804 | 2,538,843 |

Analysis by credit quality of investments securities available for sale is as follows:

| <i>In thousands of Kazakhstani Tenge</i> | 30 June 2015 Corporate bonds | 31 December 2014 Corporate bonds |
|--|---------------------------------|-------------------------------------|
| <i>Neither past due nor impaired</i> | | |
| - BB- to BB+ rated | 2,050,187 | 1,994,698 |
| - CCC- to CCC+ rated | 613,617 | 544,145 |
| Total neither past due nor impaired amounts | 2,663,804 | 2,583,843 |

The credit ratings are based on Standard & Poor's ratings where available or Moody's rating converted to the nearest equivalent on the Standard & Poor's rating scale.

10 Premises and Equipment

| | Land and buildings | Office and computer equipment | Vehicles | Total |
|---|-----------------------|-------------------------------------|----------------|------------------|
| <i>In thousands of Kazakhstani Tenge</i> | | | | |
| Cost at 1 January 2014 | 1,757,007 | 849,982 | 260,288 | 2,867,277 |
| Accumulated depreciation | (219,657) | (345,442) | (68,973) | (634,072) |
| Carrying amount at 1 January 2014 | 1,537,350 | 504,540 | 191,315 | 2,233,205 |
| Additions | 102,575 | 566,947 | - | 669,522 |
| Disposals | - | (6,565) | (59,615) | (66,180) |
| Depreciation charge | (17,322) | (163,618) | (36,699) | (217,639) |
| Accumulated depreciation on assets disposed | - | 4,679 | 33,721 | 38,400 |
| Carrying amount at 31 December 2014 | 1,622,603 | 905,983 | 128,722 | 2,657,308 |
| Cost at 31 December 2014 | 1,859,582 | 1,410,364 | 200,673 | 3,470,619 |
| Accumulated depreciation | (236,979) | (504,381) | (71,951) | (813,311) |
| Carrying amount at 31 December 2014 | 1,622,603 | 905,983 | 128,722 | 2,657,308 |
| Additions | 559,585 | 100,198 | 111,359 | 771,142 |
| Disposals | - | (36,952) | (3,974) | (40,926) |
| Depreciation charge | (9,778) | (112,475) | (16,068) | (138,321) |
| Accumulated depreciation on assets disposed | - | 34,594 | 2,415 | 37,009 |
| Carrying amount at 30 June 2015 | 2,172,410 | 891,348 | 222,454 | 3,286,212 |
| Cost at 30 June 2015 | 2,419,167 | 1,473,610 | 308,058 | 4,200,835 |
| Accumulated depreciation | (246,757) | (582,262) | (85,604) | (914,623) |
| Carrying amount at 30 June 2015 | 2,172,410 | 891,348 | 222,454 | 3,286,212 |

11 Other Assets

| | 30 June 2015 | 31 December 2014 |
|---|------------------|------------------|
| <i>In thousands of Kazakhstani Tenge</i> | | |
| Other financial derivatives | 2,097,570 | 1,461,340 |
| Accounts receivable | 1,146,762 | 1,170,657 |
| Account receivable on guarantees | - | 559,947 |
| Less: Provision for impairment | (426,326) | (350,142) |
| Total other financial assets within other assets | 2,818,006 | 2,841,802 |
| Reposessed collateral | 192,816 | 203,121 |
| Services prepaid | 59,959 | 43,355 |
| Raw materials | 57,540 | 66,413 |
| Taxes other than on income | 46,492 | 87,310 |
| Other | 202,816 | 379,218 |
| Less: Provision for impairment | (39,711) | (39,574) |
| Total other assets | 3,337,918 | 3,581,645 |

11 Other Assets (Continued)

In December 2014, the Fund entered into five-year fixed rate SWAP agreements with two commercial banks with a purpose to minimise currency risk related to US dollar borrowings from Asian Development Bank. Refer to Note 12. The Fund calculated the fair value of the SWAP at reporting date, resulting in fair value of derivatives of Tenge 2,097,570 thousand. Refer to Note 4. As of 30 June 2014 the Fund had no such financial instruments.

Repossessed collateral represents real estate and equipment assets acquired by the Fund in settlement of overdue loans. The Fund expects to dispose of the assets in the foreseeable future. The assets do not meet the definition of non-current assets held for sale, and are classified as inventories in accordance with IAS 2 'Inventories'. The assets were initially recognised at fair value when acquired.

12 Borrowed Funds

| <i>In thousands of Kazakhstani Tenge</i> | 30 June 2015 | 31 December 2014 |
|---|--------------------|--------------------|
| Baiterek NMH JSC | 61,978,245 | 45,842,265 |
| Asian Development Bank | 45,132,803 | 44,527,451 |
| Samruk-Kazyna NWF JSC | 28,188,985 | 31,604,886 |
| Municipal bodies | 3,796,104 | 1,402,369 |
| Baiterek Development JSC (Distressed Assets Fund JSC) | 729,091 | 911,364 |
| Ministry of Finance of the Republic of Kazakhstan | 211,489 | 207,118 |
| Total borrowed funds | 140,036,717 | 124,495,453 |

Starting from 2014, the Fund received loans from its Parent with an interest rate of 0.15% and maturity of twenty years. The borrowed funds have been received to be further distributed to a list of Kazakhstani commercial banks, approved by the government for the purpose of governmental program of support for development of Small and Medium Entrepreneurship in Manufacturing Industries. The loans consisted from three tranches, first and second received in April and December 2014 for the amount of Tenge 100 billion and Tenge 50 billion, respectively, and third tranche received in March 2015 for the amount of Tenge 50 billion. As of 30 June 2015, funds of all three tranches were distributed to a certain Kazakh commercial banks for further lending to Small and Medium Entrepreneurships in Manufacturing Industries. Refer to Note 4 and 7.

The Fund recognised in profit and loss for the period a gain on initial recognition of the third tranche of Baiterek loan for the amount of Tenge 35,504,774 thousand. Refer to Note 19.

All other borrowed funds have been received for the purpose of providing funds to local banks in order to support financing of development of small and medium sized entities in accordance with approved governmental programs.

13 Liabilities on Subsidy Programs

| <i>In thousands of Kazakhstani Tenge</i> | 30 June 2015 | 31 December 2014 |
|--|-------------------|------------------|
| Municipal bodies | 9,430,656 | 1,507,472 |
| Banks | 3,168,696 | 4,539,692 |
| Ministry of Regional Economic Development | 96,356 | - |
| Total liabilities on subsidy programs | 12,695,708 | 6,047,164 |

Liabilities on subsidy programs are placed by Ministry of Regional Economic Development of the Republic of Kazakhstan and municipal bodies. These funds are further transferred to local banks as payment for governmentally subsidised projects under the "Business Road Map to 2020" program.

14 Deferred Income and Provision for Credit Related Commitments

| <i>In thousands of Kazakhstani Tenge</i> | 30 June 2015 | 31 December 2014 |
|--|---------------------|-------------------------|
| Deferred income | 1,861,115 | 1,488,509 |
| Financial guarantees | 910,154 | 405,997 |
| Deferred income on loan received from the Parent | - | 7,032,896 |
| Total deferred income and liabilities on financial guarantees | 2,771,269 | 8,927,402 |

Deferred income on loan received from the Parent at 31 December 2014 represented unitised part of government grant of Tenge 10 billion. In January 2015, the amount was distributed to a certain Kazakh commercial banks carrying a 2% interest rate and a maturity of twenty years and deferred income on loan received from the Parent was recognised as a gain at initial recognition of Tenge 7,032,896 thousand. Refer to Note 4, 7 and 19.

Fund issues financial guarantees under "Business Road Map 2020" program, initiated by the Government, to the small and medium sized entities. This program is subsidised by the Government (hereinafter - Principal), in accordance with government regulation #301 issued as at 13 April 2010, wherein Fund acts as an agent between the Principal and the final recipient and receives 20 percent commission of the insured amount. The consideration received is deferred and amortized on a straight line basis over the life of the guarantee issued.

15 Other Liabilities

| <i>In thousands of Kazakhstani Tenge</i> | 30 June 2015 | 31 December 2014 |
|--|---------------------|-------------------------|
| Accrued liabilities and other creditors | 229,436 | 15,167 |
| Trade payables | 228,998 | 9,497 |
| Financial liabilities | 458,434 | 24,664 |
| Advances received | 192,765 | 43,249 |
| Unused vacation reserve | 85,748 | 138,664 |
| Accrued employee benefit costs | 76,263 | 119,374 |
| Taxes payable other than on income | 58,691 | 115,233 |
| Other | 9,039 | - |
| Total other liabilities | 880,940 | 441,184 |

All of the above liabilities are expected to be settled less than twelve months after the end of the period.

16 Share Capital

| <i>In thousands of Kazakhstani Tenge except for number of shares</i> | Number of outstanding shares (in thousands) | Ordinary shares | Total |
|--|--|------------------------|-------------------|
| At 1 January 2014 | 27,462 | 72,920,273 | 72,920,273 |
| New shares issued | - | - | - |
| At 30 June 2014 | 27,462 | 72,920,273 | 72,920,273 |
| At 1 January 2015 | 27,462 | 72,920,273 | 72,920,273 |
| New shares issued | - | - | - |
| At 30 June 2015 | 27,462 | 72,920,273 | 72,920,273 |

At the meeting of Board of directors on 22 April 2015, the Fund declared dividends in respect of the year ended 31 December 2014, totalling to Tenge 1,242,667 thousand. The amount was paid to the shareholder on 18 June 2015.

17 Interest Income and Expense

| <i>In thousands of Kazakhstani Tenge</i> | Six months ended 30 June 2015 | Six months ended 30 June 2014 |
|---|--|--|
| Interest income | | |
| Loans and advances to financial institutions | 7,608,346 | 4,995,044 |
| Cash and cash equivalents | 592,937 | 465,195 |
| Securities at fair value through profit or loss | 243,951 | 239,816 |
| Investment securities available for sale | 106,484 | 116,532 |
| Loans and advances to customers | 88,390 | 67,179 |
| Total interest income | 8,640,108 | 5,883,776 |
| Interest expense | | |
| Borrowed funds | (3,221,215) | (2,176,718) |
| Subordinated debt | - | (138,382) |
| Total interest expense | (3,221,215) | (2,315,100) |
| Net interest income | 5,418,893 | 3,568,666 |

18 Gains less Losses from Financial Derivatives

In December 2014, the Fund entered into five-year fixed rate SWAP agreements with two commercial banks with a purpose to minimise currency risk related to US dollar borrowings from Asian Development Bank. Refer to Note 12. The Fund calculated the fair value of the SWAP at reporting date, resulting in fair value of derivatives of Tenge 2,097,570 thousand and a gain in the amount of Tenge 636,230 thousand recognised in profit and loss for the period. When calculating fair value, the Fund utilised discounted cash flow model with risk-free rates for US dollars and Kazakhstani Tenge adjusted to Kazakhstan country risk premium.

19 Net Loss on Initial Recognition of Financial Instruments at Rates below Market

| <i>In thousands of Kazakhstani Tenge</i> | Six months ended 30 June 2015 | Six months ended 30 June 2014 |
|---|----------------------------------|----------------------------------|
| Gain on initial recognition of borrowed funds at rate below market | 42,537,671 | 70,347,832 |
| Loss on initial recognition of due from financial institutions at rate below market | (42,942,483) | (70,963,701) |
| Net loss on initial recognition of financial instruments at rates below market | (404,812) | (615,869) |

Detailed description of the transactions and the assessment of the financial results is given in Critical Accounting Estimates, and Judgements in Applying Accounting Policies - Initial recognition of financial instruments issued at rates below market. Refer to Note 4.

20 Income Taxes

Income tax expense recorded in profit or loss for the period comprises the following:

| <i>In thousands of Kazakhstani Tenge</i> | Six months ended 30 June 2015 | Six months ended 30 June 2014 |
|--|----------------------------------|----------------------------------|
| Current tax expense | 761,452 | 392,894 |
| Deferred tax (credit)/expense | (127,328) | 136,577 |
| Income tax expense for the period | 634,124 | 529,471 |

21 Contingencies and Commitments

Legal proceedings. From time to time and in the normal course of business, claims against the Fund may be received. On the basis of its own estimates and internal professional advice management is of the opinion that no material losses will be incurred in respect of claims and accordingly no provision has been made in these financial statements.

Tax legislation. Kazakhstan tax and customs legislation is subject to varying interpretations, and changes, which can occur frequently. Management's interpretation of such legislation as applied to the transactions and activity of the Fund may be challenged by the relevant authorities. The Kazakhstani tax authorities may be taking a more assertive position in their interpretation of the legislation and assessments, and it is possible that transactions and activities that have not been challenged in the past may be challenged. As a result, significant additional taxes, penalties and interest may be assessed. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review. Under certain circumstances reviews may cover longer periods.

Tax liabilities arising from intercompany transactions are determined using actual transaction prices. It is possible with the evolution of the interpretation of the transfer pricing rules in Kazakhstan and the changes in the approach of the Kazakhstan tax authorities, that such transfer prices could potentially be challenged in the future. Given the brief nature of the current Kazakhstan transfer pricing rules, the impact of any such challenge cannot be reliably estimated; however, it may be significant to the financial condition and/or the overall operations of the entity.

Kazakhstan tax legislation does not provide definitive guidance in certain areas. From time to time, the Fund adopts interpretations of such uncertain areas that reduce the overall tax rate of the Fund. As noted above, such tax positions may come under heightened scrutiny as a result of recent developments in administrative and court practices; the impact of any challenge by the tax authorities cannot be reliably estimated; however, it may be significant to the financial condition and/or the overall operations of the entity.

Operating lease commitments. The Fund leases a number of premises and vehicles under operating leases. The leases typically run for an initial period of one year, with an option to renew the lease after that date. Lease payments are usually increased annually to reflect market rentals. None of the leases includes contingent rentals.

21 Contingencies and Commitments (Continued)

Credit related commitments. The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees, which represent irrevocable assurances that the Fund will make payments in the event that a customer cannot meet its obligations to third parties, carry the same credit risk as loans.

Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans. With respect to credit risk on commitments to extend credit, the Fund is potentially exposed to loss in an amount equal to the total unused commitments, if the unused amounts were to be drawn down. However, the likely amount of loss is less than the total unused commitments since most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Fund monitors the term to maturity of credit related commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments. Outstanding credit related commitments are as follows:

| <i>In thousands of Kazakhstani Tenge</i> | 30 June 2015 | 31 December 2014 |
|---|---------------------|-------------------------|
| Guarantees issued | 17,739,992 | 9,620,613 |
| Undrawn credit lines | 5,100,000 | 250,000 |
| Less: Provision for credit related commitments | (910,154) | (405,997) |
| Total credit related commitments, net of provision | 21,929,838 | 9,464,616 |

The total outstanding contractual amount of undrawn credit lines, letters of credit, and guarantees does not necessarily represent future cash requirements, as these financial instruments may expire or terminate without being funded.

In January 2015 the Fund issued a guarantee on to Bank CenterCredit JSC for the amount of Tenge 5 billion on the loan received from European Bank for Reconstruction and Development for the same amount. The other increase is due to overall increase in volume of guarantees issued to Small and Medium Entrepreneurships.

Increase in undrawn credit lines is due to undrawn amounts on the loans given to financial institutions in 2015.

22 Related Party Transactions

Parties are generally considered to be related if the parties are under common control or one party has the ability to control the other party or can exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

At 30 June 2015, the outstanding balances with related parties were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Parent company | Entities under common control | Other related parties |
|---|-----------------------|--------------------------------------|------------------------------|
| Cash and cash equivalents | - | 40,736 | 14,466 |
| Securities at fair value through profit or loss | - | - | 5,655,274 |
| Due from financial institutions | - | - | 3,588,375 |
| Current income tax assets | - | - | 5,439,981 |
| Other assets | - | 23,421 | 430,733 |
| Borrowed funds | 61,978,245 | 729,091 | 31,985,089 |
| Liabilities on subsidy programs | - | - | 9,527,013 |
| Other liabilities | - | 792 | 333,857 |

22 Related Party Transactions (Continued)

The income and expense items with related parties during the six months ended 30 June 2015 were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Parent Company | Entities under common control | Other related parties |
|---|-----------------------|--------------------------------------|------------------------------|
| Interest income | - | - | 251,193 |
| Interest expense | (1,763,256) | (3,864) | (6,372,344) |
| Commission income | - | 29,841 | 333,923 |
| Dividends | (1,242,667) | - | - |
| Gain/(losses) on initial recognition of financial instruments at rates below market | 42,537,671 | - | (2,982,907) |
| Gains less losses from securities available for sale | - | - | - |
| Losses less gains from securities at fair value through profit or loss | - | - | - |
| Administrative and other operating expenses | - | (6,674) | (24) |
| Income tax expense | - | - | (761,452) |

Aggregate amounts lent to and repaid by related parties during the six months ended 30 June 2015 were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Parent Company | Entities under common control | Other related parties |
|---|-----------------------|--------------------------------------|------------------------------|
| Amounts lent to related parties during the period | - | - | 10,000,000 |
| Amounts repaid by related parties during the period | - | - | 756,256 |

Aggregate amounts received from and repaid to related parties by the Fund during the six months ended 30 June 2015 were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Parent Company | Entities under common control | Other related parties |
|---|-----------------------|--------------------------------------|------------------------------|
| Amounts received from related parties during the period | 50,000,000 | - | 3,080,000 |
| Amounts repaid to related parties during the period | - | 181,818 | 26,975,632 |

At 31 December 2014, the outstanding balances with related parties were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Shareholder "Baiterek" | Entities under common control | Associates | Other related parties* |
|--|-------------------------------|--------------------------------------|-------------------|-------------------------------|
| Cash and cash equivalents | - | 83,209 | - | 10,001,908 |
| Securities at fair value through profit or loss | - | - | - | 7,151,595 |
| Due from financial institutions | - | - | - | 2,810,782 |
| Due from subsidy programs | - | - | - | - |
| Investment securities available for sale | - | - | - | - |
| Investments in associates | - | - | 8,000 | - |
| Current income tax assets | - | - | - | 5,271,880 |
| Other assets | 10,001 | 25,968 | - | 695,294 |
| Borrowed funds | 45,842,265 | 911,364 | - | 33,214,373 |
| Subordinated debt | - | - | - | - |
| Liabilities on subsidy programs | - | - | - | 1,561,033 |
| Deferred income and provision for credit related commitments | 7,032,896 | - | - | 1,653,533 |
| Other liabilities | - | - | - | - |

22 Related Party Transactions (Continued)

The income and expense items with related parties during the six months ended 30 June 2014 were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Parent Company | Entities under common control | Other related parties |
|--|-----------------------|--------------------------------------|------------------------------|
| Interest income | - | - | 1,016,318 |
| Interest expense | (345,531) | (6,106) | (1,140,827) |
| Commission income | - | 48,638 | 1,598,134 |
| Dividends | (1,046,586) | - | - |
| Gain on initial recognition of financial instruments at rates below market | 70,347,832 | - | (5,307,665) |
| Gains less losses from securities available for sale | - | - | 500,901 |
| Losses less gains from securities at fair value through profit or loss | - | - | (47,708) |
| Administrative and other operating expenses | - | (5,306) | - |
| Income tax expense | - | - | (529,471) |

Aggregate amounts lent to and repaid by related parties during the six months ended 30 June 2014 were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Parent Company | Entities under common control | Other related parties |
|---|-----------------------|--------------------------------------|------------------------------|
| Amounts lent to related parties during the period | - | - | 555,597 |
| Amounts repaid by related parties during the period | - | - | 11,649,928 |

Aggregate amounts received from and repaid to related parties by the Fund during the six months ended 30 June 2014 were as follows:

| <i>In thousands of Kazakhstani Tenge</i> | Parent Company | Entities under common control | Other related parties |
|---|-----------------------|--------------------------------------|------------------------------|
| Amounts received from related parties during the period | 100,000,000 | - | - |
| Amounts repaid to related parties during the period | - | 181,818 | 9,787,565 |

Key management of the Bank represents members of the Board of Directors and the Executive Board. Key management compensation is presented below:

| <i>In thousands of Kazakhstani Tenge</i> | Six months ended 30 June 2015 | | Six months ended 30 June 2014 | |
|--|--------------------------------------|--------------------------|--------------------------------------|--------------------------|
| | Expense | Accrued liability | Expense | Accrued liability |
| <i>Short-term benefits:</i> | | | | |
| - Salaries | 66,256 | 12,071 | 61,551 | 17,905 |
| - Short-term bonuses | 46,168 | - | 105,581 | - |
| - Other cash payments | - | - | 453 | - |
| - Benefits in-kind | 4,386 | - | 1,325 | - |
| Total | 116,810 | 12,071 | 168,910 | 17,905 |

23 Events after the End of the Reporting Period

No significant events occurred after the reporting date.