



Development Bank
of Kazakhstan



Presentation



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of Kazakhstan



2017





DBK Mission and Mandate



Establishment

Founded in 2001 in accordance with Presidential Decree and Law "On the Development Bank of Kazakhstan"

Mandate

- Diversification of the economy of Kazakhstan
- Development of infrastructure and industries involved in raw material processing
- Enhance effectiveness of government investment activity
- Facilitate foreign and domestic investments into the economy of Kazakhstan

Instruments

- Medium and long-term financing for investment projects
- Leasing and trade finance
- Project and working capital financing
- Agent services for investment projects financed by the government or government-guaranteed debt

Investment priorities

- Metallurgy
- Transportation and logistics
- Electrical energy generation and transmission
- Chemicals and petrochemicals
- Construction and other manufacturing industries

DBK supports the development of non-extractive sectors of Kazakhstan's economy

Credit Strengths of DBK

Establishment

- Sole shareholder – JSC “National Management Holding Baiterek”
- 100% owned by the Government of Kazakhstan
- Board of Directors of Baiterek is chaired by the Prime Minister of Kazakhstan

Special Status and Mandate

- Quasi-sovereign status and strong government support
- Access to subsidized funding from the state budget
- Strategic role in the government-run Industrialization Program

High Capitalization

- Total BIS capital adequacy ratio of 18.2% as at 31 December 2016
- Shareholder committed to maintaining high capitalization of DBK

Strong liquidity Position

- USD 1.4 billion of liquid assets as of 31 December 2016
- Conservative investment portfolio management strategy

Growth of the Lending Business

- Loan portfolio growth of 10.4% from YE 2015 to YE 2016
- Project pipeline volume for 2017 is around USD 1.1 billion

Access to Funding

- Investment grade credit ratings from Moody's, S&P and Fitch since 2004
- Local debt capital market
- Access to low cost budget loans



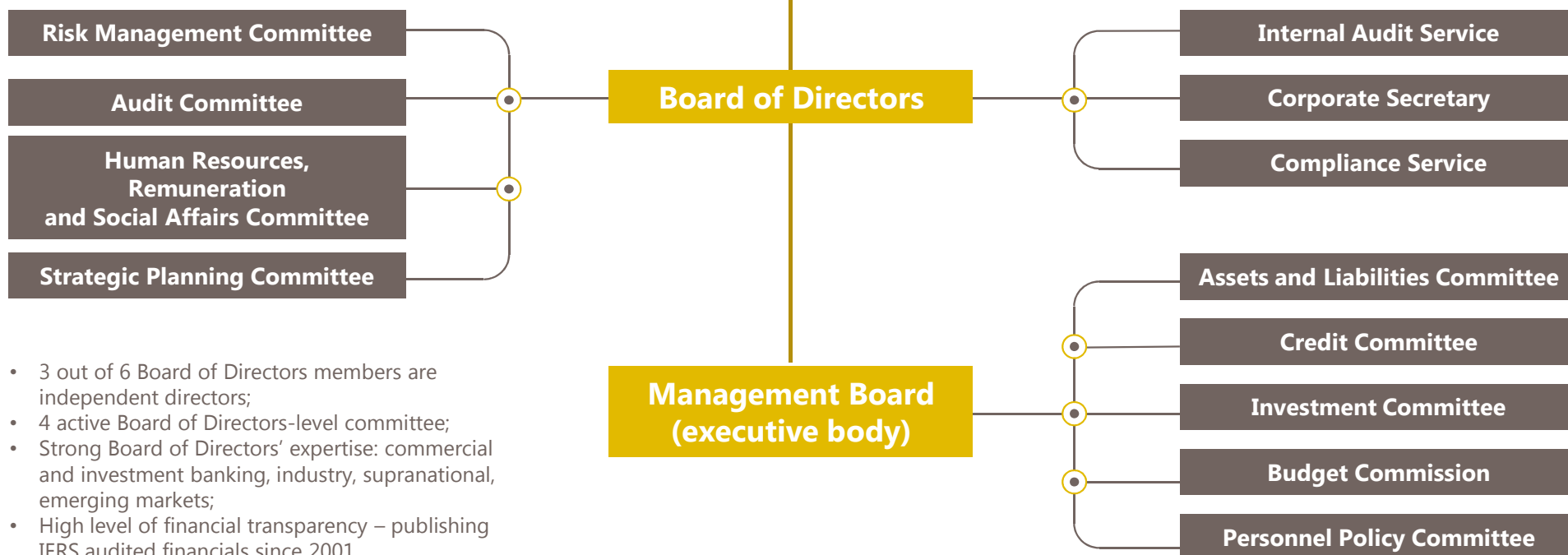


Strong Shareholder and Sound Corporate Governance



JSC "National Management Holding "Baiterek"

Development Bank of Kazakhstan





Shareholder – National Management Holding “Baiterek”

- National Management Holding Baiterek JSC established in May 2013 with 100% government shareholding
- Mission – to support development of, and facilitate investments into the national economy.
- Consolidates development institutions and financial organizations with a development mandate
- Ultimate ownership of the DBK remains with the Government of the Republic of Kazakhstan
- DBK will continue to have the same level of access to state financial support (equity injections, subsidized budget loans etc.)

«National Agency for Technological Development» JSC



«Baiterek Development» JSC



«Investment Fund of Kazakhstan» JSC



«Housing Construction and Savings Bank of Kazakhstan» JSC



«Development Bank of Kazakhstan» JSC



«Entrepreneurship Development Fund «Damu» JSC



«Mortgage Organization «Kazakhstan Mortgage Company» JSC



«Kazyna Capital Management» JSC



«Kazakhstan Project Preparation Fund»



«Kazakhstan Fund for Guaranteeing Mortgage Loans» JSC



«Export-Credit Insurance Corporation «Kazakh Export» JSC





DBK- The main financial vehicle of Government for industrialization of the country

The role of bank will increase with the realization of SPIIR

For 16 years of activity
DBK made an
investment to the
economy of
Kazakhstan

6.9\$

Billion USD

Current loan portfolio :
investment projects – 44;
export operation – 12.

99%

DBK in long term
financing of non raw
material industries

92%

SPIIR projects in DBK
loan portfolio:

80%

DBK is main asset of
"Baiterek" Holding:

59.7%

Loan portfolio accounts for
RK regions, only 1% -
Astana and Almaty cities

Greenfield projects:

40%



DBK Instruments

Lending of investment projects

1

- The minimum loan amount – 20 million USD
- The minimum loan amount for food and drinks production – 9 million USD
- The minimum loan period – 5 years
- The maximum loan period – 20 years
- Company's own contribution – not less than 20% from investment project's cost amount

Project financing

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Lending of investment projects, where the main source of borrowing repayments is revenue received from project realization.

- The minimum loan amount – 20 million USD
- The maximum loan period – 20 years

Lending of export and (pre-export) operations

2

- The minimum loan amount - 3 million USD
- Loan term - is determined on the terms of export transaction

Syndicated financing

5

Lending of investment projects, which is carried out through joint participation of DBK and banks

- The minimum loan amount - 7 billion KZT
- The maximum loan period - 20 years

Lending of current activities

3

- The minimum loan amount - 3 million USD
- The term of the loan - less than the term of financing the investment project

Provision of bank guarantees for third parties

6

- The minimum loan amount - 20 million USD
- The maximum loan period - 20 years

Financing of leasing transactions through JSC "DBK" Leasing"

7

- The amount of the loan - from 3 million USD (excluding projects under state programs)
- Term of leasing - from 3 to 20 years
- Advance payment - from 15%

Current and potential lines provided to DBK on standalone basis

DBK projects financed with guarantors/lenders participation

Guarantor/Lender	Project name	Project amount (mln.)
HERMES	Nimex Textile	EUR 11.1
JBIC	Aktau Sea Port	USD 21.4
NEXI	Gas and Turbine Power Plant	JPY 3,441.6
Finnvera	Gas and Turbine Power Plant	EUR 10.2
China Eximbank	Atyrau Refinery	USD 884.0
China Eximbank	Atyrau Refinery - 2	USD 199.5
China Eximbank	Kazakhstan Electrolytic Plant	USD 400.0
SACE	Aktobe Rail Beam Plant	EUR 56.1

Lines opened by guarantors/lenders for DBK's credit risk

Guarantor/Lender	Requirement to eligible project	Size (mln.)
China Development Bank	General corporate purpose	USD 650.0
China Development Bank	General corporate purpose	USD 500.0
Oesterreichische Kontrollbank AG (OeKB)	Austrian content	USD 250.0
Export Credit Bank of Turkey	Turkish content	EUR 63.0
European Investment Bank	case-by-case	USD 120.0
China Export & Credit Insurance Corporation (Sinosure)	case-by-case	USD 400.0
Multilateral Investment Guarantee Agency (MIGA)	case-by-case	USD 500.0



Realized projects in Green Energy



Client	JSC «Moynak HES»
Project	«Constraction of Moynak hydro-electro station on Sharyn river»
Project amount	USD 345 000 000
Loan amount	USD 51 000 000 and KZT 12 300 000 000
Place of Project	Almaty oblast, Rayimbek region
Capacity	300 Mwatt
The volume of finished products per year	1 027 million Kwt*hour
Number of employees	124



DBK

Projects under realization



Қазақстанның
даму банкі



Client	«Turgussun-1» LLP
Project	«Construction of Turgussun hydro-electro station»
Project amount	KZT 11,6 billion
Loan amount	KZT 5 billion
Place of Project	East Kazakhstan oblast, Zyryanovsk region
Capacity	24,9 Mwatt
The volume of finished products per year	79,8 million Kwt*hour
Number of employees	130 (construction stage), 11 (exploitation stage)



Client	«TSATEK Green Energy» LLP
Project	«Construction of "Astana EXPO-2017" wind-electro station»
Project amount	KZT 43,7 billion
Loan amount	KZT 30,6 billion
Place of Project	Akmola oblast, Arshaly region, Kostamar village
Capacity	50 Mwatt
The volume of finished products per year	153 300 Kwt*hour

Realized project in Digitalization



Client	JSC «Transtelecom»
Project	«Construction of a primary highway transport communication network»
Project amount	KZT 17,4 billion
Loan amount	KZT 11,1 billion
Place of Project	Interregional project, Kazakhstan
The volume of finished products per year на 31.12.2016	KZT 20, 43 billion (512 channels)
Number of employees на 31.12.2016	3 105



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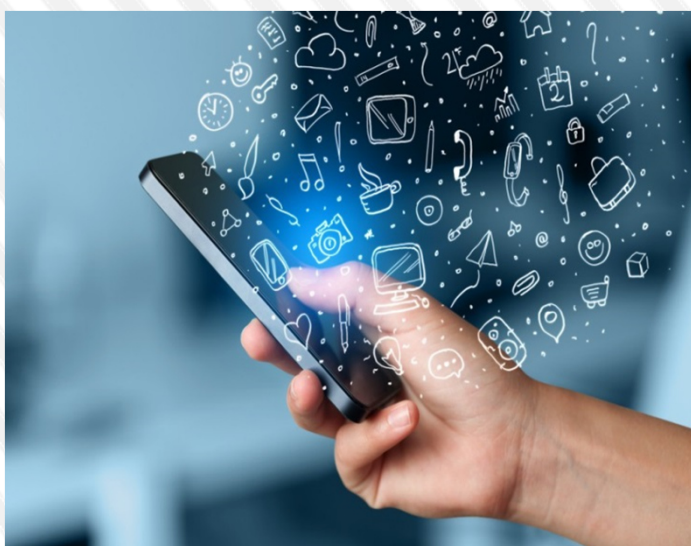
Projects under realization



Қазақстанның
даму банкі



Client	JSC «Transtelecom»
Project	«Construction of a hardware and software complex, communication platforms along railway lines across the territory of the Republic of Kazakhstan»
Project amount	KZT 32 billion
Loan amount	KZT 25,4 billion
Place of Project	Interregional project, Kazakhstan
The volume of finished products per year на 31.12.2016	KZT 20, 43 billion (512 channels)
Number of employees на 31.12.2016	3 105



Client	JSC «Kazakhtelecom» и «Mobile Telecom-Service»
Project	«Implementation of LTE / GSM / UMTS networks in the territory of the Republic of Kazakhstan»
Project amount	KZT 107,6 billion
Loan amount	KZT 37 billion
Place of Project	Interregional project, Kazakhstan
Capacity	Up to 100 Mb/s
The volume of finished products per year на 31.12.2016	KZT 23, 6 billion (13,4 billion minutes, 205 Tb)

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