

WEEK OF STOCK MARKET OF KAZAKHSTAN December 14 - 20

1 US dollar = **144.40** tenge at official rate for the end of the period
1 US dollar = **144.68** tenge at weighted average rate of the Exchange for the end of the period

YIELD OF STOCK EXCHANGE INSTRUMENTS

Following is the table that allows to compare investment attractiveness of the financial instruments, which were regularly traded or quoted at Kazakhstan stock exchange (KASE) during December 14 - 20. In parentheses – figures of previous period. Instruments are given in ascending order, based on their attractiveness.

Investment attractiveness of stock exchange instruments from December 14 through 20

| Financial instrument | Currency | Yield, % APR | Volume of deals, mln KZT | Volume of deals, mln USD |
|----------------------|----------|---------------|--------------------------|--------------------------|
| RENTb | USD | 15.04 (15.03) | 0 (0) | 0 (0) |
| VITAb2 | USD | 14.50 (14.25) | 21.8 (0) | 150.8 (0) |
| KOMBb | USD | 14.43 (14.68) | 0 (0) | 0 (0) |
| ALKSb | USD | 14.24 (14.35) | 0 (0) | 0 (0) |
| CCBNb1 | USD | 12.03 (-) | 194.5 (0) | 1,343.7 (0) |
| ATFBb | USD | 10.95 (10.95) | 0 (0) | 0 (0) |
| KZOLb | USD | 10.54 (10.56) | 0 (0) | 0 (0) |
| HSBKb | USD | 10.48 (10.43) | 0 (0) | 0 (0) |
| KZTOb | USD | 10.39 (10.38) | 0 (0) | 0 (0) |
| TMJLb | USD | 10.04 (10.08) | 0 (0) | 0 (0) |
| Euronotes-4 | USD | 9.18 (9.43) | 2,937.2 (589.3) | 20,295.8 (4,074.8) |
| Euronotes -2 | USD | 8.99 (8.85) | 102.4 (97.9) | 707.4 (677.2) |
| Euronotes -3 | USD | 8.70 (8.85) | 4,231.3 (642.3) | 29,237.8 (4,441.2) |
| MEKKAM, notes | USD | *8.54 (6.47) | 1,747.1 (1,414.7) | 12,072.6 (9,781.7) |
| MEKAVM | USD | *8.69 (-) | 25.5 (0) | 176.0 (0) |
| TEBNb | KZT | 8.00 (8.09) | 0 (0) | 0 (0) |
| KKGBb | KZT | 5.76 (8.92) | 0 (0) | 0 (0) |
| GB repo | KZT | *2.68 (4.13) | 4,283.8 (3,308.8) | 29,600.8 (22,877.6) |

Notes: yields of CCBNb1, VITAb2 were calculated as average of the deals, including initial offerings; for all corporate bonds are calculated as average of offer bids.

Tenge devaluation rate is estimated at weighted average rate of the main session of KASE in the week by a trend of **negative 0.16% APR**.

The yields, shown here, do not incorporate overhead expenses that are inevitable when conducting operations and fixing profits (commission and tax collections, membership fees etc). Marked by a star are the instruments with less than a year circulation term. Weighted average effective yields are given for them.

INDICATORS OF INTERBANK DEPOSIT MARKET

Following is the table of mean values of interbank offering rates (KIBOR), calculated by the quotations put out by the banks in the trade system of KASE. The trend reflects the change of the indicator relative to the last day of previous period. Minimum quotation volume is KZT15 mln. The quotations are indicative meaning that participants do not have to conclude deals on given terms.

Indicators of Kazakhstan interbank deposit market as of December 20, 4:00 PM ALT and changes during the week

| Term | Currency | Rate | Trend |
|----------|----------|--------------|-------|
| 1 week | KZT | 6.75 | +0.75 |
| 2 weeks | KZT | 7.92 | +1.00 |
| 1 month | KZT | 8.75 | +0.92 |
| 2 months | KZT | 9.58 | +0.58 |
| 3 months | KZT | 10.29 | +0.37 |

As against previous period, the rates remained almost stable in this sector of the market, with a slight inclination towards the growth. This tendency was more clearly apparent for the shortest money. At the same time it should be noted, that the correlation of the dynamics of the deposit rates and the changes in real repo rates for up to 3 days at the KASE was weak. With the growth of indicative bids during the last day of the period the repo rates declined one and a half times, closely reflecting the current liquidity of the monetary market.

In general, indicative offering rates are close to their lowest for the last five months. They were more lower only in early November.

THE SECURITIES SECTOR (SS)

Primary market

On December 15, 2000 the auction on primary floatation of **VITA LLP registered coupon bonds** (KZ2CKAPUBA19, official list of KASE securities, category "B", trade code VITAb2) was held in the trade system of KASE. By results of the auction the issuer floated the planned volume of securities - 1,500 bonds for a nominal value of **\$150.0 th.** at **99.975%** of face value and **14.50% APR** (annual basis) annual yield to maturity or **10.01% APR** (semiannual basis). Auction demand and supply were equal. All bonds were bought out by a single investor, financial company.

Secondary market

During observed period 10 deals amounting to **\$2,859.3 th.** were made in **purchase and sale sector** of the securities on trade floors of the KASE. Relative to previous period (\$565.2 th., 8 deals) weekly turnover of the sector increased 5.1 times. The reason for the increase is the appearance of new securities on the trade floor – **coupon bonds of Bank CenterCredit OJSC** (KZ75KARGCA53, official list of the KASE securities, category "A", CCBNb1), which accounted for 47% of all deals. The trades in these bonds were opened on December 18 and four deals totaling \$1.3 mln were made in CCBNb1 during off auction placement of the issue. The second place belonged to common shares of Bank CenterCredit OJSC (KZ1C36280419, official list of the KASE securities, category "A", CCBN) – 44.9%. Last week common shares of Bank TuranAlem OJSC (KZ1C34920412, official list of the KASE securities, category "A", BTAS) were the leaders.

During the week the price of CCBN decreased by 1.3% relative to the last deals of the period, the value of SSGPp fell by 0.4%, that of VTBNp grew by 14.4%. VTBN did not change.

Data on the deals, bid and offer information, as well as description of trade codes are given in the tables.

Results of the trades in shares from December 14 - 20

USD per share, unless otherwise specified

| Issuer | Securities | Close | WA price | Volume | Best bid | Best offer |
|-------------------------------|------------|--------|----------|---------|----------|------------|
| Almaty Kus OJSC | ALKS | | | 0 | 0.154 | 0.308 |
| Bank TuranAlem OJSC | BTAS | 70.99 | | 0 | 70.65 | 72.65 |
| Bank CenterCredit OJSC | CCBN | 1.5078 | 1.5078 | 851 091 | 1.5078 | 1.3815 |
| Halyk Bank of Kazakhstan OJSC | HSBK | 0.8324 | | 0 | 1.1000 | 1.8000 |
| KAZKOMMERTSBANK OJSC | KKGB | 0.7000 | | 0 | 0.2500 | 0.5000 |
| Kazakhtelecom | KZTK | 14.50 | | 0 | 13.50 | 16.50 |
| Kazakhtelecom | KZTKp | *10.00 | | 0 | 9.00 | 12.00 |
| Rakhat JSC | RAHT | | | 0 | *0.42 | |
| SAUR OJSC | SAYR | | | 0 | | *0.3500 |
| SSGPO JSC | SSGPp | *2.77 | 2.77 | 1 671 | 2.77 | 2.76 |
| SHNOS OJSC | SYRG | 1.63 | | 0 | 1.30 | |
| Temirbank OJSC | TEBN | *1.095 | | 0 | 0.691 | 3.620 |
| UKTMK OJSC | UTMK | *50.00 | | 0 | 5.00 | 145.00 |
| UKTMK OJSC | UTMKp | 28.00 | | 0 | 33.00 | 50.00 |
| VALUT-TRANZIT BANK OJSC | VTBN | 2.5572 | 2.5572 | 60 000 | 2.5572 | 2.5572 |
| VALUT-TRANZIT BANK OJSC | VTBNp | 2.3033 | 2.3033 | 32 259 | 2.3033 | 2.3033 |

Results of the trades in bonds from December 14 - 20

yield for the buyer in % APR till maturity, unless otherwise specified

| Issuer | Code | Currency | Last | WA | Volume, th. USD | Best bid | Best offer |
|-------------------------------|--------|----------|-------|-------|-----------------|----------|------------|
| Almaty Kus OJSC | ALKSb | USD | 15.03 | | 0 | 17.36 | 14.29 |
| AMB CJSC | ATFBb | USD | 11.38 | | 0 | 11.22 | 10.95 |
| Bank CenterCredit OJSC | CCBNb1 | USD | 12.03 | 12.03 | 1 343.7 | 12.04 | 12.04 |
| Halyk Bank of Kazakhstan OJSC | HSBKb | USD | 12.00 | | 0 | 12.45 | 10.50 |
| KAZKOMMERTSBANK OJSC | KKGBb | USD | 12.76 | | 0 | 10.20 | 8.69 |
| Komirbank OJSC | KOMBb | USD | 11.00 | | 0 | 17.89 | 14.44 |
| NOC Kazakhoil CJSC | KZOLb | USD | 10.50 | | 0 | 10.80 | 10.67 |
| NOTC KazTransOil CJSC | KZTOb | USD | 10.46 | | 0 | 10.80 | 10.49 |
| RENATA LLP | RENTb | USD | | | 0 | | *15.04 |
| Temirbank OJSC | TEBNb | USD | 11.28 | | 0 | 12.29 | 8.04 |
| Kazakhstan Temir Joly NSE | TMJLb | USD | 10.82 | | 0 | 10.50 | 10.10 |
| VITA LLP | VITAb2 | USD | 14.50 | 14.50 | 150.8 | 14.50 | 14.00 |

Notes: bid and offer prices are given for the period; if no deals were made during reporting period (volume =0), the last price of successful trades will be given; marked by a star are indicative quotations in Quotation trade system of KASE unlike the bids submitted in regular trade mode, or the price of direct deals. For VITAb2 - auction deal.

The **KASE index** that reflects the changes in the bids on the shares from the official list of the Exchange's securities of the category "A", including the market capitalization of their issuers, **grew by 0.0184** during the week, at **106.3102** at December 20 closing.

In the securities repo sector 5 deals were made during the week for a total of **\$2,812.4 th.**:

- 2 deals on closing 7 day repo on common shares of Bank TuranAlem OJSC for \$346,528.41 (amount attracted - \$345,863.28). Return of the transaction calculated in U.S. dollars equaled 10.00% APR, in tenge (at the rate of the Exchange) - **15.77% APR**;
- 2 deals on closing 30 day repo on common shares of Bank TuranAlem OJSC for \$2,465,884.35 (amount attracted - \$2,459,841.75). Return of the transaction calculated in U.S. dollars equaled 2.98% APR, in tenge (at the rate of the Exchange) - **7.71% APR**.

At the end of the period **three** indexed securities repos were opened at the trade floor of the Exchange for a total of **\$3,824.4 th**. Common shares of following companies were used as the object of repo deals: Bank TuranAlem OJSC, Bank CenterCredit OJSC. The terms vary from 30 to 215 days, and the rates in USD from 3.84 to 15.12% APR.

Change in the trade lists

On December 14, 2000, by the decision of the Exchange council of the Kazakhstan Stock Exchange (KASE), of the same date, **inscribed coupon bonds of Bank CenterCredit OJSC (Almaty)** of the first issue were entered into official list of the KASE securities under category "A". The bonds with the national identification number **KZ75KARGCA53** and registered by the National Securities Commission of Kazakhstan on Dec.12.00 in the state register under the number A27 were given a trade code **CCBNb1**. Financial consultant of the issue is **KIB ASSET MANAGEMENT Ltd. LLP (Almaty)**. Co-consultant is **RG Securities LLP (Almaty)**. The quotation accuracy of CCBnb1 in the trade system of the KASE is set **at four decimal points**.

From December 15, 2000, by the decision of the Board of Kazakhstan Stock Exchange trades in **state block of shares (SBS) of National Juridical Service CJSC (Astana, trade code - Z USRK)** were opened. It is about 66% of the authorized capital of the company. The decision is based on the order of State Property and Privatization Department of the Finance Ministry #261 dated November 15, 2000. The announced authorized capital of National Juridical Service CJSC equaled KZT4,969,300 and was fully paid up. The sole emission consisted of 1,000 common inscribed shares at KZT4,969.30 each. Main company's activities are the following: legal services to Kazakhstan and foreign companies, individuals in Kazakhstan and abroad; preparation of legal examination of projects related to attraction of foreign capital, consulting, international legal services and other businesses stipulated by Kazakhstan legislation.

On December 20, 2000 the circulation of Komirbank OJSC (Ekibastuz) first issue coupon bonds ended (KZ2CCAQCA00, official list of the KASE securities, category "A", KOMBb; Dec.26, 99 - Dec.26, 00; \$10; \$2.0 mln, semiannual coupon at 12.0% APR, current market return - 11.0% APR) due to fixing the register of the securities holders based on the bond issue terms. From December 26, 2000 by the decision of the KASE Board KOMBb will be removed from the trade lists of the KASE due to their maturity. At the KASE the trades in KOMBb began on January 25, 2000. On February 11 the bonds were entered into official list of the KASE securities under category "A". On February 18 the auction for additional offering of the bonds for \$580 th. was held in the trade system of the Exchange. During the rest of circulation time 22 deals were made in KOMBb at the KASE for a total of 1,614,189.26 U.S. dollars (159,748 bonds, 79.9% of the issue). The yields of the bonds at initial offering of the Exchange equaled 12.95% APR, and varied from 11.00 - 14.97% APR at the second additional offering (year base, 30/360). The last deal was made on November 23. 00 at the minimal price.

Capitalization

On December 20, 2000 the **capitalization of the companies**, whose shares are traded on the securities exchange market of Kazakhstan, equaled **\$1,351.8 mln** or KZT195.6 bln at tenge to dollar rate of the Exchange, effective on that date. During the week this number increased **by \$0.3 mln** in terms of dollars was caused mainly by a growth in the values of VALUT-TRANZIT BANK preferred shares, though the values of other shares declined somewhat (see above).

The capitalization of corporate bonds market of the Exchange by their best bids, that are regularly put out by the market-makers of these securities in the trade system of the Exchange, was fixed at **\$137.0 mln** as of December 20, or KZT19,822.13 mln. This indicator **grew by \$5.4 mln** which is explained by a noticeable growth of ask bids for KAZKOMMERTSBANK OJSC, NOC KAZAKHOIL CJSC, TEMIRBANK OJSC bonds. In nominal value (total face value of the bonds that were entered into trade lists of KASE) is estimated at **\$158.7 mln** as of this check date. or **KZT22,972.9 mln**.

SECTOR OF GOVERNMENT BONDS (GB)

In GB purchase and sale sector of KASE total volume of 83 deals equaled **KZT9,207.5 mln**. In previous week the turnover reached KZT2,934.6 mln with the same number of deals made.

Parameters of stock exchange transactions in SS from December 14 - 20

(in parentheses are comparable figures of the previous period)

| Days till maturity | Yield to maturity for a buyer, % APR. | | | | Volume, mln tenge | |
|--|---------------------------------------|-------|---|------------------|--------------------------|-----------------|
| | min | max | last deal | weighted average | discounted | Number of deals |
| Discounted GB: MEKKAM-3, 6, 12, notes | | | 19.0% (48.2%) of purchase and sale sector's turnover | | | |
| less than 8 | 4.99 | 7.10 | 4.99 | 6.45 (4.45) | 302.5 | 5 |
| 8 – 14 | 6.40 | 6.40 | 6.40 | 6.40 (5.73) | 246.0 | 3 |
| 15 – 28 | 7.00 | 7.00 | 7.00 | 7.00 (7.18) | 5.0 | 1 |
| 29 – 36 | 5.66 | 6.80 | 5.66 | 6.57 (-) | 53.1 | 2 |
| 64 – 91 | 7.70 | 7.92 | 7.70 | 7.75 (7.45) | 26.8 | 5 |
| 92 – 181 | 8.00 | 8.01 | 8.01 | 8.00 (-) | 80.2 | 3 |
| 182 – 364 | 8.99 | 10.47 | 8.99 | 9.68 (10.68) | 1,033.6 | 11 |
| Total | | | | | 1,747.1 (1,414.7) | 30 (37) |
| Discounted indexed GB: MEKAVM-12 | | | 0.3% (-) of purchase and sale sector's turnover | | | |
| 43 – 56 | 8.50 | 8.50 | 8.50 | 8.50 (-) | 20.4 | 3 |
| 64 – 91 | 8.00 | 8.00 | 8.00 | 8.00 (-) | 5.1 | 2 |
| Total | | | | | 25.2 (-) | 5 (-) |
| Coupon GB: MEOKAM-36 | | | 1.8% (6.5%) of purchase and sale sector's turnover | | | |
| 1,050 | 18.02 | 18.02 | 18.02 | 18.02 (17.97) | 164.0 | 2 |
| Total | | | | | 164.0 (190.2) | 2 (11) |
| Euronotes of Kazakhstan, USD | | | 79.0% (45.3%) of purchase and sale sector's turnover | | | |
| *642 - 647 | 8.60 | 9.18 | 9.18 | 8.99 (8.85) | 102.4 | 6 |
| **1,378 - 1,384 | 8.53 | 8.79 | 8.54 | 8.70 (8.85) | 4,231.3 | 41 |
| ***2,301 - 2,306 | 9.13 | 9.23 | 9.15 | 9.18 (9.43) | 2,937.2 | 9 |
| Total | | | | | 7,270.9 (1,329.6) | 56 (35) |
| SUBTOTAL | | | | | 9,207.5 (2,934.6) | 93 (83) |

Notes: for euronotes (* - second issue, ** - third issue, *** - fourth issue) volumes of the deals are calculated at weighted average USD/KZT rate of the Exchange. Volumes for indexed domestic GS are calculated considering official rate of USD/KZT.

The data, presented in the table, indicates that the participants of the market pay a special attention to the euronotes of Kazakhstan. These bonds have never controlled such a big proportion of GB turnover at the KASE before. The results of the analysis of the operations allow the IRBIS analysts believe that sharp increase in the trading frequency of the euronotes was caused not by market factors, but due to a hidden financing of each other by the participants and implementation of the mechanisms for redistribution of quite big amounts of money in this sector. Within the context of this review, it is especially important that the deformation of GB turnover structure at the KASE has no objective grounds, and the changes are not caused by market forces and are local in nature.

In GB repo sector 112 deals for a total of KZT9,387.8 mln were made during the period. Of this number 52 deals (for KZT4,283.8 mln) were repo opening deals and 60 (KZT5,104.0 mln) were repo closing deals. Last week total turnover of this sector of the market was at KZT7,155.8 mln. The participants used the repo sector of the KASE, attracting money primarily to work in the currency sector. The money was raised mainly (87.2% of total money raised during the week) for up to three days, and the rates were tend to grow. Only on the last day of the period the rates fell one and a half times under the repayment of the National Bank notes.

After closing of the trades on December 20 total amount of opened repo equaled **KZT1,648.4 mln**. Current weighted average rates as of December 20 (% APR) equaled: for 1 day – 2.00; for 2 days – 2.50; for 6 days – 4.00; for 8 days – 6.50; for 21 days – 7.60; for 24 days – 7.93; for 25 days – 10.50; for 28 days – 9.50; for 30 days – 7.00; for 92 days – 9.86.

Total of 205 deals amounting to **KZT18,595.3 mln** were made in GB on trade floors of KASE during last period (purchase and sale and repo sector). Last week volume of 154 deals was KZT10,090.4 mln.

In this week **proportion of the stock market turnover** in total volume of deals on Kazakhstani secondary market for GB for comparable operations (including euronotes and repo operations) equaled **78.0%**, for last week it was 78.1%.

INFORMATION ON COMPANIES

The Kazakhstan Stock Exchange (KASE) has completed the creation of **the ratings of the Kazakhstani banks**, whose shares and/or bonds were traded at the KASE in 2000 within an official list of the securities under categories "A" and "B".

Rating was created based on financial ratios of the banks on the basis of their quarterly reports presented to the Exchange in accordance with the their listing obligations. The purpose of the rating is to obtain a comparable characteristics of the listed banks based on the results of their activities during three quarters of 2000.

Initial tables

| Place | | Bank code | For 1999 | As of Oct.1.99 | As of Oct.1.00 |
|---------------------------------------|----------|-----------|----------|----------------|----------------|
| Oct.1.00 | Oct.1.99 | | | | |
| Assets (mln KZT) | | | | | |
| | | | | | Table 1 |
| 1 | 2 | HSBK | 57,160 | 48,875 | 76,330 |
| 2 | 3 | BTAS | 46,891 | 39,156 | 75,555 |
| 3 | 1 | KKGB | 72,427 | 71,702 | 75,220 |
| 4 | 6 | ATFB | 11,897 | 7,763 | 17,838 |
| 5 | 4 | CCBN | 13,830 | 11,796 | 17,027 |
| 6 | 5 | TEBN | 9,347 | 8,374 | 12,897 |
| 7 | 9 | KOMB | 4,565 | 1,574 | 6,934 |
| 8 | 7 | VTBN | 2,847 | 2,979 | 5,446 |
| 9 | 8 | NFBN | 2,459 | 2,141 | 2,478 |
| Shareholders' equity (mln KZT) | | | | | |
| | | | | | Table 2 |
| 1 | 1 | KKGB | 11,696 | 10,733 | 14,016 |
| 2 | 2 | BTAS | 5,677 | 5,116 | 8,454 |
| 3 | 3 | HSBK | 5,756 | 4,962 | 5,596 |
| 4 | 5 | TEBN | 1,490 | 1,411 | 1,996 |
| 5 | 4 | ATFB | 1,492 | 1,483 | 1,912 |
| 6 | 6 | CCBN | 1,447 | 1,316 | 1,726 |
| 7 | 7 | KOMB | 1,560 | 1,043 | 1,598 |
| 8 | 8 | VTBN | 1,042 | 1,027 | 1,534 |
| 9 | 9 | NFBN | 1,026 | 1,000 | 1,016 |
| Operating income (mln KZT) | | | | | |
| | | | | | Table 3 |
| 1 | 1 | KKGB | 19,964 | 14,573 | 10,878 |
| 2 | 3 | BTAS | 8,170 | 4,982 | 10,314 |
| 3 | 2 | HSBK | 13,770 | 10,869 | 10,065 |
| 4 | 4 | CCBN | 3,338 | 2,862 | 3,239 |
| 5 | 5 | ATFB | 2,176 | 2,095 | 2,529 |
| 6 | 6 | TEBN | 1,753 | 1,471 | 2,079 |
| 7 | 8 | KOMB | 589 | 502 | 668 |
| 8 | 7 | VTBN | 656 | 513 | 638 |
| 9 | 9 | NFBN | 490 | 373 | 362 |
| Net income (mln KZT) | | | | | |
| | | | | | Table 4 |
| 1 | 1 | KKGB | 2,199 | 1,232 | 2,320 |
| 2 | 2 | BTAS | 886 | 752 | 1,337 |
| 3 | 4 | ATFB | 477 | 468 | 420 |
| 4 | 6 | TEBN | 180 | 100 | 165 |
| 5 | 3 | HSBK | 630 | 580 | 157 |
| 6 | 9 | VTBN | 29 | 15 | 81 |
| 7 | 7 | CCBN | 260 | 96 | 65 |
| 8 | 5 | KOMB | 26 | 138 | 22 |
| 9 | 8 | NFBN | 41 | 54 | 11 |
| Return on assets – ROA (%) | | | | | |
| | | | | | Table 5 |
| 1 | 5 | KKGB | 3.04 | 1.72 | 3.08 |
| 2 | 2 | ATFB | 4.01 | 6.02 | 2.35 |
| 3 | 4 | BTAS | 1.89 | 1.92 | 1.77 |
| 4 | 9 | VTBN | 1.02 | 0.51 | 1.48 |
| 5 | 6 | TEBN | 1.92 | 1.19 | 1.28 |
| 6 | 3 | NFBN | 1.67 | 2.51 | 0.43 |
| 7 | 8 | CCBN | 1.88 | 0.81 | 0.38 |
| 8 | 1 | KOMB | 0.58 | 8.74 | 0.32 |
| 9 | 7 | HSBK | 1.10 | 1.19 | 0.21 |
| Return on equity – ROE (%) | | | | | |
| | | | | | Table 6 |
| 1 | 1 | ATFB | 31.96 | 31.53 | 21.95 |
| 2 | 5 | KKGB | 18.81 | 11.48 | 16.55 |
| 3 | 2 | BTAS | 15.61 | 14.71 | 15.82 |
| 4 | 7 | TEBN | 12.07 | 7.09 | 8.28 |
| 5 | 9 | VTBN | 2.78 | 1.47 | 5.25 |
| 6 | 6 | CCBN | 17.96 | 7.26 | 3.78 |
| 7 | 4 | HSBK | 10.95 | 11.69 | 2.80 |
| 8 | 3 | KOMB | 1.69 | 13.18 | 1.40 |
| 9 | 8 | NFBN | 4.01 | 5.37 | 1.04 |

Final rating table

| Rating | | Bank code | Assets | Shareholders' equity | Operating income | Net income | ROA | ROE | Average ratio of the bank |
|-----------------------|------------|-----------|--------|----------------------|------------------|------------|------|------|---------------------------|
| Oct.1 2000 | Oct.1 1999 | | | | | | | | |
| Average ratio: | | | | | | | | | |
| 1 | 1 | KKGB | 32 192 | 4 205 | 4 530 | 509 | 1,26 | 8,54 | |
| 2 | 2 | BTAS | 2.34 | 3.33 | 2.40 | 4.56 | 2.46 | 1.94 | 2.838 |
| 3 | 4 | ATFB | 2.35 | 2.01 | 2.28 | 2.63 | 1.41 | 1.85 | 2.087 |
| 4 | 3 | HSBK | 0.55 | 0.45 | 0.56 | 0.82 | 1.87 | 2.57 | 1.139 |
| 5 | 6 | TEBN | 2.37 | 1.33 | 2.22 | 0.31 | 0.16 | 0.33 | 1.121 |
| 6 | 9 | VTBN | 0.40 | 0.47 | 0.46 | 0.32 | 1.02 | 0.97 | 0.608 |
| 7 | 7 | CCBN | 0.17 | 0.36 | 0.14 | 0.16 | 1.18 | 0.61 | 0.438 |
| 8 | 5 | KOMB | 0.53 | 0.41 | 0.71 | 0.13 | 0.31 | 0.44 | 0.422 |
| 9 | 8 | NFBN | 0.22 | 0.38 | 0.15 | 0.04 | 0.26 | 0.16 | 0.201 |
| 9 | 8 | NFBN | 0.08 | 0.24 | 0.08 | 0.02 | 0.34 | 0.12 | 0.147 |

The final rating table was created on a composite basis by uniting the ratios of the banks that characterize the scale and effectiveness of their work. The values were obtained by step-by-step averaging the values of initial tables #1 - 6 based on the following way. **Step one:** average arithmetic mean was calculated for each of the tables #1 - 6. **Step two:** corresponding figure of each bank was correlated to average arithmetic mean of each table to obtain a coefficient. **Step three:** for each bank average arithmetic mean of the coefficients, which were found in step two, was calculated. In accordance with obtained values the bank was assigned a rating in the table.

Further on the KASE plans to calculate such comparable reviews on a regular basis.

Bank codes: **KKGB** – KAZKOMMERTSBANK OJSC (Almaty); **BTAS** – Bank TuranAlem OJSC (Almaty); **ATFB** – Almaty Merchant Bank CJSC; **HSBK** – Halyk Bank of Kazakhstan OJSC (Almaty); **TEBN** – TEMIRBANK OJSC (Almaty); **VTBN** – VALUT-TRANZIT BANK OJSC (Karagandy); **CCBN** – Bank CenterCredit OJSC (Almaty); **KOMB** – Komirbank OJSC (Ekibastuz); **NFBN** – Neftebank OJSC (Aktau).

This rating should not be regarded as the opinion of the KASE on the quality and effectiveness of these banks in any way.

THE KASE MEMBERS

On December 15, 2000, by the decision of the Board of the Kazakhstan Stock Exchange (KASE), **subsidiary bank closed joint stock company HSBC Bank Kazakhstan** (Almaty) was admitted to the members of the Exchange under categories “K” (with the right to participate in the trades in government bonds that circulate at the KASE) and “P” (the right to participate in the trades in securities that were entered into official list of the Exchange). The decision was made based on the application of SB HSBC Bank Kazakhstan CJSC and upon presenting the state license #0401100193 on conducting brokerage and dealing activities on the stock market with the right to handle client accounts as a nominal holder issued by the National Securities Commission of Kazakhstan on January 20, 2000.

Prepared by the agency «IRBIS»

The bonds of Bank CenterCredit OJSC were entered into official list of the KASE securities under category “A”

Special issue based on the information of Bank CenterCredit OJSC, KASE, NSC of Kazakhstan and agency IRBIS

On December 14, 2000, by the decision of the Exchange council of the Kazakhstan Stock Exchange (KASE), of the same date, registered coupon bonds of an open joint stock company Bank CenterCredit (Almaty) of the first issue were entered into official list of the KASE securities under category “A”. The quotation accuracy of CCBNb1 in the trade system of the KASE is set at four decimal points. The trades in these bonds were opened **from December 18, 2000**.

Following is a brief description of Bank CenterCredit OJSC (company, bank), its activities and issued securities. The management of Bank CenterCredit OJSC is fully responsible for the reliability of the information.

BOND ISSUE INFORMATION

| | |
|---|---|
| Type of the securities: | ordinary coupon bonds, indexed by the change in the exchange rate of tenge to U.S. dollar |
| National identification number: | KZ73BAQLBA36 |
| Number in the state register | A27 |
| Registrar | Tsentr Dar LLP (Almaty) |
| Date of registration | Dec 12, 2000 |
| Face value, USD: | 100.00 |
| Issue volume, USD: | 4,500,000.00 |
| Issue volume, bonds | 45,000 |
| Circulation starts on | Dec 16, 2000 |
| Floatation term | 7 month from date of government registration |
| Circulation term | 5 years |
| Maturity | Dec 17, 2005 |
| Interest: | 12.0% APR |
| Interest payment days | on June 16 and December 16 |
| Time basis for coupon calculations | 360/30 |
| Deadline to be registered for coupon payments | 30 days prior to the payment date |
| Deadline to be registered before the maturity | 10 day prior to the maturity date |
| Servicing of the issue | in tenge at official rate of the National Bank of Kazakhstan, effective on the payment date |
| Financial consultant of the issuer | KIB ASSET MANAGEMENT LLP (Almaty) |
| Financial co-consultant of the issuer | RG Securities LLP (Almaty) |
| Admittance date to the KASE trade lists | Dec 14, 00 |
| KASE trade code | CCBNb1 |
| Market-maker at the KASE | KIB ASSET MANAGEMENT LLP (Almaty) |

If the maturity date falls on week-end, the payment will be made on the next business day. The bonds holder does not have right to demand compensation for a such kind of delays.

Objective of floatation - **subordinated loan** for increase in shareholders equity.

HISTORY OF THE BANK

The bank was founded on September 19, 1988 as Almaty Central Cooperative Bank under Cooperative Association of Almaty region Center-Bank, which in 1991 was renamed as central joint-stock bank “CenterBank”, and in 1996 in Bank CenterCredit OJSC. According to the government resolution #1713 dated December 8, 1997, Bank CenterCredit OJSC participated in tender over Zhylstroibank (English transcript: Housing Construction Bank) and eventually won it. As a result, Zhilstroibank merged with Bank CenterCredit OJSC (date of government registration is June 30, 1998).

GENERAL INFORMATION

Date of initial government registration – June 30, 1998. Legal status – open joint stock company. Ownership – private. Legal and actual address of the head office – 100 Shevchenko street, Almaty 480072, Kazakhstan. Primary activity – banking services.

Resolution of the National Bank of Kazakhstan #220 dated Oct 30, 1998 included the bank into first group of banks to be shifted to international standards.

The bank holds stakes in following entities: Kazakhstan Stock Exchange CJSC - 6.02% (share in the authorized capital); Kazinterbank OJSC - 10.0%; Central Clearing Chamber - 6.25%; Tumar joint-stock insurance company - 6.85%; OAPF Korgau CJSC - 9.44%; OAPF Narodnii Pensionniy Fond - 9.0%; OUL Financiers Association of Kazakhstan - 16.6%; KIB ASSET MANAGEMENT Ltd. - 60.0%. The bank is a member of ULE Financiers Association of Kazakhstan, Kazakhstan Stock Exchange CJSC, Central Clearing Chamber, Kazakhstan Deposit Insurance Fund CJSC.

Bank is a primary dealer of the Finance Ministry of Kazakhstan (MOF) and primary agent of National Bank of Kazakhstan on the primary market of government bonds. The bank is also a financial agent of MOF on the market of national saving bonds (NSB). However, it has not participated on the two last auctions for NSB.

Bank CenterCredit OJSC has 19 branches and 38 settlement offices in following cities: Astana, Almaty, Aksai, Aksukent, Aktau, Aktobe, Atyrau, Zhezkazgan, Zyryanovsk, Karagandy, Kostanai, Kokshetau, Kulsary, Kzyl-Orda, Pavlodar, Petropavlovsk, Rudnyi, Satpaev, Semipalatinsk, Taldykorgan, Taraz, Temirtau, Tengiz, Uralsk, Shymkent, Ust-Kamenogorsk and Shuchinsk.

International correspondent network of the bank consists of 15 banks located in USA, Germany, Japan, Switzerland and France.

In 1996 bank jointly with Western Union (USA) started new operations with time money transfers that covered 180 countries of the world. In July 2000, bank implemented fast transfer system allowing money transfer in Kazakhstan during 10 minutes.

In May 2000, bank was accepted into VISA International system as a Participant Member. Bank developed and approved design of cards. In 2001, bank will set 20 automatic teller machines (ATM). ATM will be set in the head office and all regional branches.

At present, bank has following ratings of Thomson BankWatch: **IC-D** - debtor, **LC-3** - short-term, **B** - principal debt. In year 2000, bank concluded contract with Standard & Poor's.

The number of employees as of Oct 01, 2000 equaled to 1,212.

LICENSES

- Of the National Bank of Kazakhstan to conduct banking and other operations in tenge and foreign currency, dated February 11, 2000
- Of the National Securities Commission of Kazakhstan to engage in brokerage and dealing activities with the government bonds (GB) and with the right to handle client accounts as a nominal holder, dated October 7, 1998, #040110045 (license of the first category)
- Of the National Securities Commission of Kazakhstan to engage in custodian activities on the stock market, dated December 30, 1999, #0407100064.

CAPITAL, SHARES AND SHAREHOLDERS

As of October 1, 2000 announced and issued authorized capital of Bank CenterCredit OJSC equaled **KZT2,063,339.0 th.**, issued paid-up capital – **KZT1,469,296.0 th.** Total number of shares at KZT200.0 face value is 10,316,695. The shares have non-documentary form. Register is maintained by Center DAR LLP (Almaty).

According to the issue's prospectus the size of dividends per share is set by Board of the bank and approved on general meeting of shareholders. The decision of annual general meeting held on Apr 02, 1999 distributed KZT71 mln. (or 45.5% of net income for year 1998) on re-formation of announced authorized capital. Dividends are accrued for amount of KZT11.96 per share. Dividend payments were made in the form of the bank's securities. At the general shareholders meeting held by the results of 1999 the dividend was set at KZT20 per share (dividend fund was approved at KZT108.1 mln, or 56% of net income).

Ordinary registered shares of CenterCredit Bank were traded on the non-listing floor of KASE during June 28 and August 13, 1998. On August 13, 1998 shares were admitted into category "A" of the official list. Since that, there were 21 deals concluded using 864,778 shares for a total of \$1,230.2 th. Weighted average price of shares for the first and second trading days grew from \$1.13 up to \$1.5282.

As of October 1, 2000 bank had 786 shareholders. Following entities have stakes exceeding 5% level of the authorized capital: State Property and Privatization Department of the Ministry of Finance - 16.54%, OAPF Senim CJSC (Almaty, Kazakhstan) - 10.20%, Utta LLP (Almaty, Kazakhstan) - 9.52%, Altyn Tan LLP (Almaty, Kazakhstan) - 8.80%, Delta Trade LLP (Almaty, Kazakhstan) - 8.70%, Atameken financial-industrial group (Almaty, Kazakhstan) - 8.20%.

BRIEF DESCRIPTION OF THE ACTIVITIES

The bank's shareholders equity grew by KZT192.1 mln or 15.7% from 1998 to 1999, and in 9 months of 2000 – by 19.0% (by KZT269.7 mln). In 1999 increase in shareholders' equity was conditioned by increase in second level capital by KZT219.4 mln for an account of net income. Despite, increase of the authorized paid-up capital, first level capital decreased due to decline in accumulations of funds, reserves and undistributed profit of previous years. Growth of shareholder's equity for 9 months 2000 was caused by increase of authorized paid-up capital on KZT406.8 mln (first level capital).

The assets of Bank CenterCredit OJSC grew by KZT9.6 bln, or 3.2 times for the same period (1999 to 1999 – 1.3 times, 1998 to 1997 – 2.4 times), in 9 months of 2000 by KZT3.2 bln, or 23.1%. The major growth that took place in 1999 (KZT2.2 bln) and in the first half of 2000 (KZT2.8 bln) was due to a increase of loan portfolio (1999 – 60.2% of the assets, in 2000 – 65.6%).

The structure of profitable assets of Bank CenterCredit OJSC

| Assets | As of Jan.1.99 | | As of Jan.1.00 | | As of Oct.1.00 | |
|------------------|------------------|------------|-------------------|------------|-------------------|------------|
| | Th. KZT | % | Th. KZT | % | Th. KZT | % |
| Securities | 787,076 | 10.8 | 2,045,343 | 17.5 | 2,208,249 | 15.3 |
| Bank deposits | 363,631 | 5.0 | 1,275,847 | 11.0 | 1,108,014 | 7.6 |
| Clients' credits | 6,157,797 | 84.2 | 8,326,133 | 71.5 | 11,167,989 | 77.1 |
| Total | 7,308,504 | 100 | 11,647,323 | 100 | 14,484,252 | 100 |

The proportion of profitable assets within total assets of the bank equaled 71% in late 1998, and 84% in late 1999 and 85% as of October 1, 2000. In 1999, profitable assets of the bank increased by KZT4.3 bln, or 59.4% against 1998, in 9 months of current year – by KZT2.8 bln, or 24.4%. Bank's management intends to maintain profitable assets on the current level. It will change its structure increasing securities holdings and lowering loan portfolio. The sectional division of the loan portfolio is following: trade - 34.1%, industry - 16.4%, mortgage lending - 12.6%, food industry - 8.0%, leasing - 6.2%, agriculture - 3.2%, construction - 3.1%, other businesses - 16.5%.

The major share of total income are profits from loan interests and cash-settlement operations. Loan income increased 1.5 times (from KZT811.2 mln in late 1998 to KZT1,207.3 mln in October 2000), income from cash-settlement operations grew up 1.8 times (from KZT367.9 mln to KZT645.3 mln) mainly due to opening of new accounts. In late 1998, bank serviced 52 thousands clients, as of Oct 01, 2000 - 59 thousands, of which 21 thousands are legal entities.

The sum of total expenses for 1999 increased by 80.8%, for 9 months by 3.1%. Such significant increase was explained by information technologies modernization, aggressive advertisement policy and opening of 12 new cash-settlement desks.

The loan portfolio. The basis of bank's assets is made up of credits. The quality of loan portfolio was positively affected by crediting limits set on branch and clients of the bank. As of Oct 01, 2000, 93.9% of the total loan portfolio were standard and sub-standard credits, 3.4% - unsatisfactory and doubtful loans, and 2.7% bad loans.

As of late 1999, net volume of loan portfolio totaled KZT8.3 bln and increased by 35.2% for the year. During 9 months of 2000, the loan portfolio increased by KZT2.8 bln or 34.1% and amounted KZT11.2 bln. The time structure of the portfolio shifted to more mid to long-term financing. As of Oct 01, 2000 the share of credits upwards 1 year to maturity equaled 78.9%. The main portion of long term credits (13.9%) consisted of mortgage credits (12.6%) that had been accepted with Zhylstroibank assets. The source of credits is shareholder's equity. The mid-term credits (65.1%) and rest part of long-term credits are financed for an account of demand deposits.

Data on the quality of the loan portfolio of Bank CenterCredit OJSC

| Type of the loan | As of Jan.1.99 | | As of Jan.1.00 | | As of Oct.1.00 | |
|-------------------------|------------------|--------------|------------------|--------------|-------------------|--------------|
| | Th. KZT | % | Th. KZT | % | Th. KZT | % |
| Standard | 5,495,014 | 85.0 | 7,411,161 | 84.4 | 9,921,276 | 85.0 |
| Substandard | 573,277 | 8.9 | 717,208 | 8.2 | 1,032,974 | 8.9 |
| Unsatisfactory | 117,238 | 1.8 | 125,845 | 1.4 | 231,033 | 1.9 |
| Doubtful with high risk | 66,894 | 1.0 | 273,715 | 3.1 | 175,210 | 1.5 |
| Bad | 210,484 | 3.3 | 254,495 | 2.9 | 310,936 | 2.7 |
| Total | 6,462,907 | 100.0 | 8,782,424 | 100.0 | 11,671,429 | 100.0 |

Data on the provisions create by the loans of Bank CenterCredit OJSC

| Type of the loan | As of Jan.1.99 | | As of Jan.1.00 | | As of Oct.1.00 | |
|-------------------------|----------------|--------------|----------------|--------------|----------------|--------------|
| | Th. KZT | % | Th. KZT | % | Th. KZT | % |
| Standard | – | – | – | – | – | – |
| Substandard | 34,927 | 11.4 | 36,542 | 8.0 | 55,762 | 11.1 |
| Unsatisfactory | 26,248 | 8.6 | 28,395 | 6.2 | 48,285 | 9.6 |
| Doubtful with high risk | 33,450 | 11.0 | 136,859 | 30.0 | 87,606 | 17.4 |
| Bad | 210,485 | 69.0 | 254,495 | 55.8 | 311,787 | 61.9 |
| Total | 305,110 | 100.0 | 456,291 | 100.0 | 503,440 | 100.0 |

Deposit base. As of Oct 01, 2000 the liabilities' structure of Bank CenterCredit OJSC consisted of 87.4% of deposits (KZT13.4 bln). Of this number, KZT6.4 bln or 47.6% are time deposits (44.7% - late 1999, 36.2% late 1998), and demand and saving deposits - 52.4% (55.3% - 1999, 63.8% - 1998). For 1999 the volume of attracted deposits grew by 43.9% and totaled KZT10.4 bln, for 9 months, deposits increased by KZT3.0 bln or 28.7% and amounted KZT13.4 bln, of which KZT3.8 bln or 28% are deposits of individuals.

CREDIT LINES OF THE BANK

European bank for Reconstruction and Development (EBRD). In the framework of small and medium scale business development program of EBRD, Bank CenterCredit financed more than 500 projects for a total of \$2.5 mln.

Asian Development Bank (ADB). In the framework of ADB credit line for agriculture sector, bank financed 5 projects (since 1999). The projects related to purchases of processing and production equipment for agriculture for a total of \$3.1 mln.

American Fund for Entrepreneurship Support in Central Asia. In the framework, of small and medium scale business financed by CrossRoads the bank financed 7 projects (since 1998) for a total of \$1.7 mln. Sectors engaged: polygraphy, food and light industry.

Government support program for domestic producers. In the framework of this program, the bank finances projects that would supply domestic market with consumer goods and would produce export oriented goods. Three projects for a total of \$3.2 mln were financed in 2000.

Gold mining industry development program. In the framework of this program financed by the National Bank of Kazakhstan, bank financed one project for a total of \$1.5 mln.

BANK FINANCIAL INDICES

Bank CenterCredit OJSC makes its financial statements in accordance with the Kazakhstani accounting standards, as well as bank legislature, instruction and regulations of the National Bank of Kazakhstan. From 1997 the bank statements are audited by Ernst & Young (Almaty, Kazakhstan) based on international standards.

Following is the table created by the KASE specialists based on Bank CenterCredit OJSC financial statements (in th. KZT, unless otherwise specified), which, in turn, were made in compliance with the National Bank requirements. The amount of liquid assets is determined on the basis of the National Bank instructions. The data as of Jan.1, 98 was given prior to the merger with Jilstroibank OJSC.

Major financial ratios of Bank CenterCredit OJSC, calculated by the data of the issuer

in th. KZT, unless otherwise indicated

| Index | As of | As of | As of | As of |
|----------------------------------|-----------|------------|------------|------------|
| | Jan.1 '98 | Jan.1 '99 | Jan.1 '00 | Oct.1 '00 |
| Authorized capital | 550,000 | 1,003,313 | 1,062,531 | 1,469,296 |
| Shareholders' equity | 719,734 | 1,232,984 | 1,447,052 | 1,725,842 |
| Total assets | 4,277,908 | 10,250,426 | 13,829,727 | 17,027,484 |
| Liquid assets | 1,290,950 | 1,394,021 | 4,018,139 | 4,265,350 |
| Loans granted (net) | 2,267,531 | 6,157,797 | 8,326,133 | 11,167,989 |
| Loans and deposits | 3,485,562 | 8,509,937 | 11,839,424 | 14,739,524 |
| Income from operating activities | 931,732 | 1,823,685 | 3,337,990 | 3,238,624 |
| Net income | 7,588 | 121,157 | 259,851 | 65,293 |
| Return on assets (ROA), % | 0.18 | 1.18 | 1.88 | 0.38 |
| Return on equity (ROE), % | 1.05 | 9.83 | 17.96 | 3.78 |

Major financial ratios of Bank CenterCredit OJSC, calculated by the data of the auditing report of Ernst & Young

in th. KZT, unless otherwise indicated

| Index | As of | As of | As of |
|----------------------------------|-----------|------------|------------|
| | Jan.1'98 | Jan.1'99 | Jan.1 '00 |
| Authorized capital (paid) | 550,000 | 1,003,313 | 1,062,531 |
| Shareholders' equity | 583,987 | 1,247,853 | 1,379,766 |
| Total assets | 4,262,008 | 10,195,055 | 13,765,501 |
| Liquid assets | 1,290,950 | 1,394,021 | 4,032,564 |
| Loans to the clients (net) | 2,187,402 | 6,166,812 | 8,260,070 |
| Liabilities to other banks | 491,427 | 923,878 | 1,151,612 |
| Liabilities to its clients | 2,794,492 | 7,205,632 | 10,253,117 |
| Income from operating activities | 931,732 | 1,994,590 | 3,334,301 |
| Total expenses | 1,059,891 | 1,779,435 | 3,141,736 |
| Net income | (128,159) | 215,155 | 192,565 |
| Return on assets (ROA), % | - | 2.11 | 1.40 |
| Return on equity (ROE), % | - | 17.24 | 13.96 |

In the opinion of Ernst & Young, consolidated financial statements of the bank give a reliable representation of consolidated assets and liabilities of the bank in all necessary aspects as of December 31, 1999 and 1998, results of its financial and economic activities and cash flows as of indicated years, as well as the changes in

the shareholders' equity according to the accounting standards of the commercial banks, approved by the National Bank of Kazakhstan. The auditing report is indisputable.

Below is comparison of Bank CenterCredit OJSC with other four similar Kazakhstani banks in terms of shareholders' equity, made by the KASE specialists as of November 1, 2000 in thousand KZT. Average indicators were estimated according to the financial statements submitted to the KASE by banks of category "B" (participation in foreign currency trades).

Comparable characteristics

| Index | Bank CenterCredit CJSC | Average ratio for other banks |
|----------------------|------------------------|-------------------------------|
| Shareholders' equity | 1,802,344 | 1,770,653 |
| Assets | 17,386,218 | 8,260,927 |
| Net income | 69,449 | 172,023 |
| k1 (min 0,04) | 0.09 | 0.21 |
| k2 (min 0,08) | 0.13 | 0.60 |
| k4 (min 0,20) | 0.55 | 1.37 |
| ROA, % | 0.40 | 2.51 |
| ROE, % | 3.85 | 8.82 |

COMMENTS OF THE KASE LISTING COMMISSION

Comments of the Listing commission – it is a description of the issuer's certain activities, that should be taken into account by potential investors.

General situation on the banking sector of Kazakhstan. Based on the statistics of the National Bank of Kazakhstan, from December 1995 to present days the number of the second tier banks decreased from 130 (December 1995) to 47 (September 2000), which was accompanied by the concentration of the capitals in the banking sector. The capital of the banks grew from KZT14.9 bln to KZT83.6 bln, aggregate assets – from KZT163.0 bln to KZT436.8 bln. Within the third quarter of the year 200 only the capital of the second tier banks grew by KZT4.3 bln, aggregate assets – by KZT26.4 bln. By the results of 9 months of this year 23.4% of all existing second tier banks in Kazakhstan are the banks with paid authorized capitals exceeding KZT1.3 bln, 53.2% – up to KZT1.3 bln, 21.3% – from KZT130 to KZT500 mln and 2.1% – up to KZT80 mln (as of late 1995: 53.1% – the banks with paid authorized capitals of up to KZT20 mln and only 0.8% – up to KZT1.3 bln).

As a result of macroeconomic stabilization in the country and general positive situation in the economy, the returns of financial instruments and loan interests began to fall, which, along with continuing trend of capital concentration in the banking sector, increases the competition among the banks, which will get even more tough under a stable economy.

Loan portfolio. The loans are granted to the clients within a specified financing limits on the basis of unanimous approval of all members of the Bank CenterCredit OJSC Loan committee. As of Oct.1, 00, the loans with more than 1 year repayment term total KZT9.2 bln, or 78.9% of the bank's all loan portfolio (KZT11.7 bln). At that, time deposits equal KZT6.4 bln, or 47.6% of all the deposits attracted by the bank (KZT3.0 bln, or 22.9% – up to three months), call deposits – KZT7.0 bln, or 52.4%.

Increase in the bank's shareholders' equity. The purpose of the bond issue to be conducted by the Bank CenterCredit OJSC – subordinated debt, which is entered into the second level capital (total of not more than 50% of the first level capital). As of October 1, 2000, announced and issued authorized capital of the bank equaled KZT2,063,339.0 th. paid – KZT1,469,296.0 th., shareholders' equity – KZT1,687,670.0 th.

Bank investments. In 2001 the Bank CenterCredit OJSC plans to install 20 automated teller machines at all branch offices and at the head office in order to service VISA International cards, which will increase expenses by \$400 th. (it is this amount that was allocated for this purpose in 2001). By the information of the Bank CenterCredit OJSC management, these expenses are to be covered with the incomes from lending activities and the operations with the securities. Therefore, the Exchange these activities can reduce the effective profitability of the bank assets in near future.

Prudential norms. As of October 1, 2000, the Bank CenterCredit OJSC had an incompliance with the maximum risk per borrower, who is not related to the bank (k3). With the right value being 0.25, the bank's ratio equaled 0.42. Based on the information of the Banking supervision department of the National Bank of Kazakhstan this violation was consistent in the year 2000. By coordinating its activities with the National Bank, the number of activities were to be taken until December 31, 2000 to eliminate the violation of k3. As of November 1 of this year the ratio k3 decreased to 0.39. By the results of additional inquiries of the KASE, dated December 18 and 19, it was found out that as of December 1, 2000 (by the data of the Bank CenterCredit OJSC, confirmed by the Banking supervision department of the National Bank of Kazakhstan) k3 ratio equaled **0.19**, which proves that the bank has eliminated the violation ahead of schedule.

Prepared by the agency «IRBIS»