

*Translation from the original in Russian*

**“Belarusian Bank  
Development and Reconstruction “Belinvestbank” Joint-Stock  
Company**

**Summary Interim Consolidated Financial Statements**

*For the 9 Months Ended 30 September 2017*

**BELINVESTBANK JSC**

**TABLE OF CONTENTS**

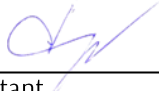
---

	Page
SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2017:	
Summary Interim Consolidated statement of financial position	2
Summary Interim Consolidated statement of profit or loss	3
Summary Interim Consolidated statement of comprehensive income	4
Summary Interim Consolidated statement of changes in equity	5
Summary Interim Consolidated statement of cash flows	6
Note 1 to the Summary Interim Consolidated financial statements	8

**BELINVESTBANK JSC**  
**SUMMARY INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2017**  
*(in BYN thousand)*

	Notes	30 September 2017	31 December 2016
<b>ASSETS:</b>			
Cash, balances with the National Bank and precious metals	4	320,659	248,622
Due from banks	5	53,913	62,126
Loans to customers	6	1,941,945	1,877,703
Securities available for sale	7	914,163	1,071,394
Assets constructed for sale	8	8,350	10,893
Investment in an associate	9	8,895	9,019
Property and equipment	10	179,341	174,746
Intangible assets	11	18,895	19,155
Non-current assets held for sale	12	3,967	2,939
Current income tax assets		107	469
Deferred income tax assets	25	1,189	1,092
Government grants receivable	32	28,698	39,583
Other assets	13	55,337	41,027
<b>TOTAL ASSETS</b>		<b>3,535,459</b>	<b>3,558,768</b>
<b>LIABILITIES:</b>			
Due to banks	14	384,495	628,849
Due to customers	16	2,498,720	2,311,212
Debt securities issued	17	103,947	92,287
Current income tax liabilities		10	-
Deferred income tax liabilities	25	6,172	1,217
Other liabilities	18	58,434	44,344
<b>Total liabilities</b>		<b>3,051,778</b>	<b>3,077,909</b>
<b>EQUITY:</b>			
Share capital	26	443,967	443,967
Share premium		11,750	11,750
Treasury shares		(49)	-
Revaluation reserve of financial assets available for sale		3,016	2,971
Revaluation reserve for premises		43,416	44,075
Accumulated deficit		(18,419)	(21,904)
Total equity attributable to shareholders of the Bank		483,681	480,859
<b>Total equity</b>		<b>483,681</b>	<b>480,859</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>3,535,459</b>	<b>3,558,768</b>

  
 \_\_\_\_\_  
 Chairman of the Board  
 A. S. Brishtev  
 24 November 2017  
 Minsk

  
 \_\_\_\_\_  
 Chief Accountant  
 A. N. Syrokvash

**BELINVESTBANK JSC**  
**SUMMARY INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2017**  
*(in BYN thousand)*

	Notes	Nine Months ended 30 September 2017	Nine Months ended 30 September 2016
Interest income	19	216,064	318,226
Interest expense	19	(100,974)	(182,682)
NET INTEREST INCOME		<u>115,090</u>	<u>135,544</u>
Effect of initial recognition on interest bearing assets and liabilities, net		16,077	(1,784)
Provision for impairment losses on loans to customers	20	<u>(92,055)</u>	<u>(145,126)</u>
NET INTEREST INCOME AFTER PROVISION FOR IMPAIRMENT LOSSES ON INTEREST BEARING ASSETS		<u>39,112</u>	<u>(11,366)</u>
Net (loss)/gain from operations with securities available for sale		(504)	10,030
Net gain from foreign exchange operations	21	13,210	37,349
Fee and commission income	22	71,734	71,425
Fee and commission expense	22	(18,890)	(16,165)
Share in loss of an associate	9	(124)	(1,072)
Other income	23	8,975	19,358
Impairment losses on other assets	20	(161)	(1,914)
Impairment recovery on off-balance liabilities	20	1,994	4,113
NET NON-INTEREST INCOME		<u>76,234</u>	<u>123,124</u>
OPERATING INCOME		<u>115,346</u>	<u>111,758</u>
OPERATING EXPENSES	24	<u>(106,656)</u>	<u>(112,980)</u>
Profit/(loss) before income tax		<u>8,690</u>	<u>(1,222)</u>
Income tax (expense)/recovery	25	<u>(4,630)</u>	<u>1,243</u>
<b>NET PROFIT</b>		<u><b>4,060</b></u>	<u><b>21</b></u>
NET PROFIT, ATTRIBUTABLE TO :			
Shareholders of the Bank		<u><b>4,060</b></u>	<u><b>21</b></u>
Basic and diluted earnings per share attributable to shareholders of the Bank (kop.)		0.04	-

A complete set of interim condensed consolidated financial statements prepared in accordance with International Financial Reporting Standards is available at request from the Bank.

**BELINVESTBANK JSC**  
**SUMMARY INTERIM CONSOLIDATED STATEMENT OF COMPEHENSIVE INCOME**  
**FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2017**  
*(in BYN thousand)*

		Nine Months ended	Nine Months ended
		30 September 2017	30 September 2016
<b>NET PROFIT</b>		<b>4,060</b>	<b>21</b>
NET PROFIT, ATTRIBUTABLE TO :			
Shareholders of the Bank		<b>4,060</b>	<b>21</b>
OTHER COMPREHENSIVE (LOSS)/ INCOME			
Items that are or may be reclassified to profit or loss			
Gains/(losses) from revaluation of securities available for sale		878	(101)
Realised (losses)/ gains on securities available for sale, reclassified to profit or loss		(413)	706
Income tax relating to securities available for sale	25	(420)	(99)
Other comprehensive income that is or may be reclassified to profit or loss less income tax		45	506
OTHER COMPREHENSIVE INCOME LESS INCOME TAX		45	506
<b>COMPREHENSIVE INCOME</b>		<b>4,105</b>	<b>527</b>
<b>TOTAL COMPREHENSIVE INCOME, ATTRIBUTABLE TO:</b>			
shareholders of the Bank		<b>4,105</b>	<b>527</b>

A complete set of interim condensed consolidated financial statements prepared in accordance with International Financial Reporting Standards is available at request from the Bank.

**BELINVESTBANK JSC**  
**SUMMARY INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2017**  
*(in BYN thousand)*

	Share capital	Share premium	Revaluation reserve for premises	Treasury shares	Revaluation reserve of financial assets available for sale	Accumulated deficit	Total equity attributable to shareholders of the Bank	Non-controlling interest	Total equity
<b>31 December 2015</b>	<b>336,326</b>	<b>11,750</b>	<b>60,099</b>	-	<b>2,287</b>	<b>(20,009)</b>	<b>390,453</b>	<b>37</b>	<b>390,490</b>
Profit for the period	-	-	-	-	-	21	21	-	21
Other comprehensive income for the period	-	-	-	-	506	-	506	-	506
Total comprehensive income for the period	-	-	-	-	506	21	527	-	527
Increase in share capital	107,641	-	-	-	-	-	107,641	-	107,641
Disposal of a subsidiary	-	-	-	-	-	(7)	(7)	(37)	(44)
Disposal of premises	-	-	(7)	-	-	7	-	-	-
Amortisation of revaluation reserve for premises, net of tax	-	-	(895)	-	-	895	-	-	-
Dividends declared and paid	26	-	-	-	-	(3,094)	(3,094)	-	(3,094)
<b>30 September 2016</b>	<b>443,967</b>	<b>11,750</b>	<b>59,197</b>	-	<b>2,793</b>	<b>(22,187)</b>	<b>495,520</b>	-	<b>495,520</b>
<b>31 December 2016</b>	<b>443,967</b>	<b>11,750</b>	<b>44,075</b>	-	<b>2,971</b>	<b>(21,904)</b>	<b>480,859</b>	-	<b>480,859</b>
Profit for the period	-	-	-	-	-	4,060	4,060	-	4,060
Other comprehensive income for the period	-	-	-	-	45	-	45	-	45
Total comprehensive income for the period	-	-	-	-	45	4,060	4,105	-	4,105
Operations with treasury shares	-	-	-	(49)	-	-	(49)	-	(49)
Amortisation of revaluation reserve for premises, net of tax	-	-	(659)	-	-	659	-	-	-
Hyperinflation effect on operations with treasury shares	26	-	-	-	-	43	43	-	43
Dividends declared and paid	26	-	-	-	-	(1,277)	(1,277)	-	(1,277)
<b>30 September 2017</b>	<b>443,967</b>	<b>11,750</b>	<b>43,416</b>	<b>(49)</b>	<b>3,016</b>	<b>(18,419)</b>	<b>483,681</b>	-	<b>483,681</b>

A complete set of interim condensed consolidated financial statements prepared in accordance with International Financial Reporting Standards is available at request from the Bank.

**BELINVESTBANK JSC**  
**SUMMARY INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2017**  
*(in BYN thousand)*

	Notes	Nine Months ended 30 September 2017	Nine Months ended 30 September 2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Interest received		233,586	303,308
Interest paid		(83,812)	(173,762)
Fees and commissions received		72,251	71,983
Fees and commissions paid		(20,245)	(17,869)
Net losses from securities available for sale		(504)	10,030
Net gains from dealing in foreign currencies		19,333	6,131
Other income received		8,704	21,524
Other operating expenses paid		(91,211)	(99,598)
Cash inflow from operating activities before changes in operating assets and liabilities		<u>138,102</u>	<u>121,747</u>
Change in operating assets and liabilities			
(Increase)/decrease in operating assets:			
Minimum reserve deposits with the National Bank of the Republic of Belarus		(5,475)	2,096
Precious metals		86	3
Due from banks		2,772	9,979
Loans to customers		(111,649)	207,347
Other assets		(10,269)	92,262
Increase/(decrease) in operating liabilities:			
Due to banks		(282,966)	20,269
Due to customers		144,330	(299,788)
Loans from banks collateralized by securities		-	(86,224)
Other liabilities		17,991	(3,703)
Cash (outflow)/inflow from operating activities before income tax		<u>(107,078)</u>	<u>63,988</u>
Income tax (recovery)/paid		<u>(332)</u>	<u>2,570</u>
Net cash (outflow)/inflow from operating activities		<u>(107,410)</u>	<u>66,558</u>

A complete set of interim condensed consolidated financial statements prepared in accordance with International Financial Reporting Standards is available at request from the Bank.

**BELINVESTBANK JSC**  
**SUMMARY INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2017 (CONTINUED)**  
*(in BYN thousand)*

	Notes	Nine Months ended 30 September 2017	Nine Months ended 30 September 2016
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property and equipment and intangible assets		(22,535)	(10,898)
Proceeds from sale of property and equipment and intangible assets		565	102
Changes in securities pledged under repurchase agreements		-	79,312
Proceeds on disposal of a subsidiary		-	(44)
Purchase of securities available for sale		(2,669,955)	(1,244,916)
Proceeds from sale of securities available for sale		<u>2,846,841</u>	<u>1,006,153</u>
Net cash inflow/(outflow) from investing activities		<u>154,916</u>	<u>(170,291)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Dividends paid		(1,277)	(3,094)
Proceeds from debt securities issued		38,222	168,052
Redemption of debt securities issued		<u>(26,966)</u>	<u>(154,551)</u>
Net cash inflow from finance activities		<u>9,979</u>	<u>10,407</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		57,485	(93,326)
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS		1,609	4,606
<b>CASH AND CASH EQUIVALENTS, beginning of the period</b>	<b>4</b>	<u><b>294,004</b></u>	<u><b>394,672</b></u>
<b>CASH AND CASH EQUIVALENTS, end of the period</b>	<b>4</b>	<u><u><b>353,098</b></u></u>	<u><u><b>305,952</b></u></u>

A complete set of interim condensed consolidated financial statements prepared in accordance with International Financial Reporting Standards is available at request from the Bank.



**The basis of presentation of the summary interim consolidated financial statements of “Belinvestbank” Joint-Stock Company**

The summary interim consolidated financial statements of the Group have been prepared following the accepted practice. The summary interim consolidated financial statements of the Group have been prepared on the basis of interim condensed consolidated financial statements of the Group and consist of summary interim consolidated statement of financial position, summary interim consolidated statement of profit or loss, summary interim consolidated statement of comprehensive income, summary interim consolidated statement of changes in equity, and summary interim consolidated statement of cash flows for the accounting period specified. The interim condensed consolidated financial statements of the Group have been prepared on the basis of and in accordance with the accounting policy used for preparation of the full package of the Group’s interim consolidated financial statements.