

Translation from the original in Russian

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

Summary Interim Consolidated Financial Statements

For the 9 Months Ended 30 September 2014

BELINVESTBANK JSC

TABLE OF CONTENTS

	Page
SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2014:	
Summary Interim Consolidated statement of financial position	2
Summary Interim Consolidated statement of comprehensive income	3
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 2014

(in millions of Belarusian roubles in terms of purchasing power of the Belarusian rouble as at 30 September 2014)

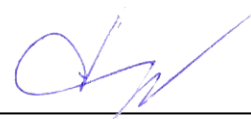
	Notes	30 September 2014	31 December 2013
ASSETS:			
Cash, balances with the National Bank and precious metals	4	3,278,175	3,655,052
Due from banks	5	671,508	444,987
Derivative financial assets	12	641,447	1,105,974
Loans to customers	6	16,430,631	16,415,308
Securities available for sale	7	3,946,221	3,256,215
Securities held to maturity	8	-	209,041
Assets constructed for sale	11	291,186	189,231
Investment in associate	9	150,044	188,604
Property and equipment	10	1,668,848	1,630,518
Intangible assets	10	82,834	62,461
Non-current assets held for sale	11	1,315	3,566
Current income tax assets	24	10	32,250
Deferred income tax assets	24	25,341	28,733
Government grants receivable	31	997,303	551,479
Other assets	13	539,916	496,514
TOTAL ASSETS		28,724,779	28,269,933
LIABILITIES AND EQUITY:			
LIABILITIES:			
Due to banks	14	3,762,747	4,390,390
Due to customers	15	19,900,865	18,939,992
Loans from banks collateralized by securities		142,992	-
Debt securities issued	16	792,205	1,178,360
Current income tax liabilities	24	7,303	37,227
Deferred income tax liabilities	24	3,107	651
Other liabilities	17	638,891	237,745
Total liabilities		25,248,110	24,784,365
EQUITY:			
Share capital	25	3,212,956	3,212,956
Share premium		114,635	114,635
Revaluation reserve of financial assets available for sale		19,137	4,133
Revaluation reserve for premises		358,663	351,524
Accumulated deficit		(229,086)	(198,109)
Total equity attributable to shareholders of the Bank		3,476,305	3,485,139
Non-controlling interest		364	429
Total equity		3,476,669	3,485,568
TOTAL LIABILITIES AND EQUITY		28,724,779	28,269,933



Chairman of the Board
G.A. Sysoev

27 November 2014

Minsk



Chief Accountant
A. N. Syrokvash

BELINVESTBANK JSC

**SUMMARY INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

*(in millions of Belarusian roubles in terms of purchasing power of the Belarusian rouble
as at 30 September 2014)*

	Notes	Nine Months ended 30 September 2014	Nine Months ended 30 September 2013
Interest income	18	2,911,711	2,525,112
Interest expense	18	<u>(2,083,978)</u>	<u>(1,851,012)</u>
NET INTEREST INCOME		827,733	674,100
Income on early derecognition of loans to customers issued at below market rates		33,972	-
Effect on initial recognition on interest bearing assets and liabilities, net		2,780	(55,592)
Allowance for impairment losses on loans to customers	19	(281,460)	(158,428)
 NET INTEREST INCOME AFTER ALLOWANCE FOR IMPAIRMENT LOSSES ON INTEREST BEARING ASSETS		 <u>583,025</u>	 <u>460,080</u>
Net gain from operations with securities available for sale		(6,016)	(4,293)
Net gain from foreign exchange operations	20	138,035	93,642
Fee and commission income	21	642,360	615,415
Fee and commission expense	21	(120,269)	(115,320)
Share in profit/(loss) of associate	9	(15,546)	(12,066)
Other income	22	126,986	113,850
Recovery of allowance for impairment losses on other assets	19	789	604
Recovery of impairment losses/(impairment losses) on off-balance liabilities	19	<u>(25,005)</u>	<u>2,363</u>
NET NON-INTEREST INCOME		<u>741,334</u>	<u>694,195</u>
OPERATING INCOME		1,324,359	1,154,275
OPERATING EXPENSES	23	<u>(1,041,740)</u>	<u>(969,926)</u>
PROFIT BEFORE INCOME TAX EXPENSES		<u>282,619</u>	<u>184,349</u>

Translation from the original in Russian

BELINVESTBANK JSC

**SUMMARY INTERIM CONSOLIDATED STATEMENT OF COMPEHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014 (CONTINUED)**

*(in millions of Belarusian roubles in terms of purchasing power of the Belarusian rouble
as at 30 September 2014)*

	Nine Months ended 30 September 2014	Nine Months ended 30 September 2013
Income taxes expenses	24 (34,465)	(40,270)
NET PROFIT BEFORE LOSS ON NET MONETARY POSITION	248,154	144,079
LOSS ON NET MONETARY POSITION	(203,473)	(101,893)
 NET PROFIT	 <u>44,681</u>	 <u>42,186</u>
 NET PROFIT/(LOSS), ATTRIBUTABLE TO :		
Shareholders of the Bank	44,746	44,502
Non-controlling interest	(65)	(2,316)
	<u>44,681</u>	<u>42,186</u>
 OTHER COMPREHENSIVE INCOME		
Items that will never be reclassified to profit or loss		
Impairment loss of premises	13,878	14,218
Income tax relating to remeasurement of premises	24 (2,498)	(5,095)
Items that will never be reclassified to profit or loss less tax	11,380	9,123
Items that are or may be reclassified to profit or loss		
Gains from revaluation of securities available for sale	33,262	10,012
Realised losses on investment securities available for sale	(18,223)	3,037
Income tax relating to securities available for sale	24 (35)	(855)
Items that are or may be reclassified to profit or loss less tax	15,004	12,194
 COMPREHENSIVE INCOME LESS TAX	 <u>26,384</u>	 <u>21,317</u>
 COMPREHENSIVE INCOME/(LOSS)	 <u>71,065</u>	 <u>63,503</u>
TOTAL COMPREHENSIVE INCOME, ATTRIBUTABLE TO:		
Shareholders of the Bank	71,130	65,819
Non-controlling interest	(65)	(2,316)
	<u>71,065</u>	<u>63,503</u>
 Earnings per share	 8	 16
attributable to:shareholders of the Bank (byr)		

BELINVESTBANK JSC
SUMMARY INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014
(in millions of Belarusian roubles in terms of purchasing power of the Belarusian rouble as at 30 September 2014)

	Share capital	Share premium	Revaluation reserve for premises	Revaluation reserve of financial assets available for sale	Accumulated deficit	Total equity attributable to shareholders of the Bank	Non-controlling interest	Total equity
31 December 2012 (restated)	2,532,639	114,635	350,897	(14,636)	(178,507)	2,805,028	2,623	2,807,651
Net profit for the period	-	-	-	-	44,502	44,502	(2,316)	42,186
Other comprehensive income for the period	-	-	9,123	12,194	-	21,317	-	21,317
Total comprehensive income for the period	-	-	9,123	12,194	44,502	65,819	(2,316)	63,503
Amortisation of revaluation reserve for premises, net of tax	-	-	(3,653)	-	3,653	-	-	-
Dividends declared and paid	25	-	-	-	(14,833)	(14,833)	-	(14,833)
30 September 2013	2,532,639	114,635	356,367	(2,442)	(145,185)	2,856,014	307	2,856,321
31 December 2013	3,212,956	114,635	351,524	4,133	(198,109)	3,485,139	429	3,485,568
Net profit for the period	-	-	-	-	44,746	44,746	(65)	44,681
Other comprehensive income for the period	-	-	11,380	15,004	-	26,384	-	26,384
Total comprehensive income for the period	-	-	11,380	15,004	44,746	71,130	(65)	71,065
Amortisation of revaluation reserve for premises, net of tax	-	-	(4,241)	-	4,241	-	-	-
Dividends declared and paid	25	-	-	-	(79,964)	(79,964)	-	(79,964)
30 September 2014	3,212,956	114,635	358,663	19,137	(229,086)	3,476,305	364	3,476,669

BELINVESTBANK JSC
SUMMARY INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014
(in millions of Belarusian roubles in terms of purchasing power of the Belarusian rouble as at 30 September 2014)

	Notes	Nine Months ended 30 September 2014	Nine Months ended 30 September 2013
CASH FLOWS FROM OPERATING ACTIVITIES:			
Interest received		2,691,882	2,437,198
Interest paid		(2,108,653)	(1,809,582)
Fees and commissions received		642,360	615,415
Fees and commissions paid		(120,269)	(115,320)
Realised gains less losses from securities available for sale		(6,016)	(4,294)
Realised gains less losses from dealing in foreign currencies		993,235	346,419
Other income received		121,935	118,215
Other operating expenses paid		(958,106)	(899,888)
Cash inflows from operating activities before changes in operating assets and liabilities		1,256,368	688,163
Change in operating assets and liabilities			
(Increase)/decrease in operating assets:			
Minimum reserve deposits with the National Bank of the Republic of Belarus		441,959	355,022
Precious metals		(766)	2,382
Due from banks		(106,253)	549,148
Loans to customers		1,966,222	(500,768)
Other assets		(52,574)	(187,190)
Increase/(decrease) in operating liabilities:			
Due to banks		(1,291,690)	1,191,360
Due to customers		(1,845,272)	(1,012,969)
Loans from banks collateralized by securities		139,471	(141,081)
Other liabilities		335,563	253,535
Cash inflow/(outflow) from operating activities before taxation		843,028	1,197,602
Income tax paid		(26,072)	(11,267)
Cash inflow from operating activities		816,956	1,186,335
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment and intangible assets		(183,494)	(66,348)
Proceeds on sale of property and equipment and intangible assets		19,085	(8,798)
Proceeds on securities pledged under repurchase agreements		-	214,596
Proceeds on securities held to maturity		238,920	37,532
Purchase of securities available for sale		(1,967,310)	(2,920,995)
Proceeds on sale of securities available for sale		1,856,021	1,263,717
Net cash outflow from investing activities		(36,778)	(1,480,296)

BELINVESTBANK JSC
SUMMARY INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014 (CONTINUED)
(in millions of Belarusian roubles in terms of purchasing power of the Belarusian rouble as at 30 September 2014)

	Notes	Nine Months ended 30 September 2014	Nine Months ended 30 September 2013
CASH FLOWS FROM FINANCING ACTIVITIES:			
Dividends paid		(83,528)	(14,149)
Proceeds from debt securities issued		357,781	3,389,770
Purchase and redemption of debt securities issued		(890,793)	(3,477,619)
Net cash inflow/ (outflow) from finance activities		(616,540)	(101,998)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		163,638	(395,959)
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS		32,032	43,234
INFLATION EFFECT ON MONETARY ASSETS AND LIABILITIES		(315,522)	(155,300)
CASH AND CASH EQUIVALENTS, beginning of the period	4	3,814,679	3,798,501
CASH AND CASH EQUIVALENTS, end of the period	4	3,694,827	3,290,476

**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 comprehensive income, summary interim consolidated statement of changes in equity, and summary interim consolidated statement of cash flows for the nine months ended on the date specified. The interim condensed consolidated financial statements of the Group used for preparation of the summary interim consolidated financial statements 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.