

Translation from the original in Russian

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

Summary Interim Consolidated Financial Statements

For the 3 Months Ended 31 March 2015

BELINVESTBANK JSC

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BELINVESTBANK JSC
SUMMARY INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2015
(in millions of Belarusian)

	Notes	31 March 2015	31 December 2014
ASSETS:			
Cash, balances with the National Bank and precious metals	4	3,135,285	1,761,440
Due from banks	5	585,810	337,306
Derivative financial assets	13	992,945	878,656
Loans to customers	6	20,075,745	17,936,964
Securities available for sale	7	3,196,886	3,234,704
Investment securities purchased on repurchase agreements		-	23,700
Investment securities pledged under repurchase agreements	8	726,798	409,599
Assets constructed for sale	12	336,412	323,151
Investment in associate	9	137,304	141,689
Property and equipment	10	1,764,415	1,756,544
Intangible assets	11	124,297	107,172
Non-current assets held for sale	12	1,166	1,484
Current income tax assets	25	59	9,403
Deferred income tax assets	25	5,353	5,353
Government grants receivable	32	674,645	1,053,333
Other assets	14	669,945	497,270
TOTAL ASSETS		32,427,065	28,477,768
LIABILITIES AND EQUITY:			
LIABILITIES:			
Due to banks	15	3,612,144	3,701,359
Due to customers	16	22,870,674	19,493,404
Loans from banks collateralized by securities		721,440	403,102
Debt securities issued	17	544,413	597,737
Current income tax liabilities	25	482	13,496
Deferred income tax liabilities	25	33,534	32,096
Other liabilities	18	1,003,713	581,748
Total liabilities		28,786,400	24,822,942
EQUITY:			
Share capital	26	3,363,256	3,363,256
Share premium		117,501	117,501
Revaluation reserve of financial assets available for sale		5,109	3,418
Revaluation reserve for premises		393,480	395,081
Accumulated deficit		(239,053)	(224,804)
Total equity attributable to shareholders of the Bank		3,640,293	3,654,452
Non-controlling interest		372	374
Total equity		3,640,665	3,654,826
TOTAL LIABILITIES AND EQUITY		32,427,065	28,477,768

Acting Chairman of the Board
S. P. Kovalevsky

14 May 2015
Minsk

Chief Accountant
A. N. Syrokvash

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 COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2015
(in millions of Belarusian)

	Notes	Three Months ended 31 March 2015	Three Months ended 31 March 2014
Interest income	19	1,193,753	1,078,538
Interest expense	19	(952,383)	(804,977)
NET INTEREST INCOME		<u>241,370</u>	<u>273,561</u>
Effect on initial recognition on interest bearing assets and liabilities, net		794	5,523
Allowance for impairment losses on loans to customers	20	<u>(60,884)</u>	<u>(65,983)</u>
 NET INTEREST INCOME AFTER ALLOWANCE FOR IMPAIRMENT LOSSES ON INTEREST BEARING ASSETS		 <u>181,280</u>	 <u>213,101</u>
Net gain/(loss) from operations with securities available for sale		(29,437)	1,772
Net gain from foreign exchange operations	21	29,990	52,847
Fee and commission income	22	225,523	206,560
Fee and commission expense	22	(44,992)	(37,374)
Share in profit/(loss) of associate	9	(4,385)	(6,079)
Other income	23	76,738	35,926
Recovery of allowance for impairment losses on other assets	20	(519)	659
Recovery of impairment losses/(impairment losses) on off-balance liabilities	20	<u>(2,015)</u>	<u>(12,668)</u>
 NET NON-INTEREST INCOME		 <u>250,903</u>	 <u>241,643</u>
 OPERATING INCOME		 432,183	 454,744
 OPERATING EXPENSES	24	 <u>(430,476)</u>	 <u>(338,059)</u>
PROFIT BEFORE INCOME TAX EXPENSES		<u>1,707</u>	<u>116,685</u>

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BELINVESTBANK JSC
SUMMARY INTERIM CONSOLIDATED STATEMENT OF COMPEHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2015 (CONTINUED)
(in millions of Belarusian roubles)

	25	Three Months ended 31 March 2015	Three Months ended 31 March 2014
Income taxes expenses	25	(940)	(4,797)
NET PROFIT BEFORE LOSS ON NET MONETARY POSITION		<u>767</u>	111,888
LOSS ON NET MONETARY POSITION		<u>-</u>	<u>(76,558)</u>
NET PROFIT		<u>767</u>	<u>35,330</u>
NET PROFIT/(LOSS), ATTRIBUTABLE TO :			
Shareholders of the Bank		769	35,347
Non-controlling interest		<u>(2)</u>	<u>(17)</u>
		<u>767</u>	<u>35,330</u>
OTHER COMPREHENSIVE INCOME			
Items that will never be reclassified to profit or loss			
Gains from remeasurement of premises		-	(6,621)
Income tax relating to remeasurement of premises	25	<u>-</u>	<u>1,192</u>
Items that will never be reclassified to profit or loss less tax		-	(5,429)
Items that are or may be reclassified to profit or loss			
Gains from revaluation of securities available for sale		12,532	9,807
Realised (losses)/gains on investment securities available for sale		(9,403)	(9,454)
Income tax relating to securities available for sale	25	<u>(1,438)</u>	<u>161</u>
Items that are or may be reclassified to profit or loss less tax		1,691	514
COMPREHENSIVE INCOME LESS TAX		<u>1,691</u>	<u>(4,915)</u>
COMPREHENSIVE INCOME/(LOSS)		<u>2,458</u>	<u>30,415</u>
TOTAL COMPREHENSIVE INCOME, ATTRIBUTABLE TO:			
Shareholders of the Bank		2,460	30,432
Non-controlling interest		<u>(2)</u>	<u>(17)</u>
		<u>2,458</u>	<u>30,415</u>
Earnings per share		-	6
attributable to:shareholders of the Bank (byr)			

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BELINVESTBANK JSC
SUMMARY INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2015
(in millions of Belarusian roubles)

	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 2013	3,293,256	117,501	360,310	4,236	(203,060)	3,572,243	442	3,572,685
Net profit for the period	-	-	-	-	35,347	35,347	(17)	35,330
Other comprehensive income for the period	-	-	(5,429)	514	-	(4,915)	-	(4,915)
Total comprehensive income for the period	-	-	(5,429)	514	35,347	30,432	(17)	30,415
Amortisation of revaluation reserve for premises, net of tax	-	-	(1,451)	-	1,451	-	-	-
Dividends declared and paid	26	-	-	-	(86,153)	(86,153)	-	(86,153)
31 March 2014	3,293,256	117,501	353,430	4,750	(252,415)	3,516,522	425	3,516,947
31 December 2014	3,363,256	117,501	395,081	3,418	(224,804)	3,654,452	374	3,654,826
Net profit for the period	-	-	-	-	769	769	(2)	767
Other comprehensive income for the period	-	-	-	1,691	-	1,691	-	1,691
Total comprehensive income for the period	-	-	-	1,691	769	2,460	(2)	2,458
Amortisation of revaluation reserve for premises, net of tax	-	-	(1,601)	-	1,601	-	-	-
Dividends declared and paid	26	-	-	-	(16,619)	(16,619)	-	(16,619)
31 March 2015	3,363,256	117,501	393,480	5,109	(239,053)	3,640,293	372	3,640,665

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BELINVESTBANK JSC
SUMMARY INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2015
(in millions of Belarusian roubles)

	Notes	Three Months ended 31 March 2015	Three Months ended 31 March 2014
CASH FLOWS FROM OPERATING ACTIVITIES:			
Interest received		696,388	830,193
Interest paid		(932,211)	(823,188)
Fees and commissions received		225,523	206,560
Fees and commissions paid		(44,992)	(37,374)
Realised gains less losses from securities available for sale		(29,437)	1,771
Realised gains less losses from dealing in foreign currencies		58,699	386,426
Other income received		74,587	30,780
Other operating expenses paid		(418,411)	(324,085)
Cash inflows from operating activities before changes in operating assets and liabilities		<u>(369,854)</u>	<u>271,083</u>
Change in operating assets and liabilities (Increase)/decrease in operating assets:			
Minimum reserve deposits with the National Bank of the Republic of Belarus		21,775	202,865
Precious metals		(1,094)	(245)
Due from banks		137,601	(207,885)
Loans to customers		691,430	594,561
Other assets		(158,727)	(48,089)
Increase/(decrease) in operating liabilities:			
Due to banks		(663,909)	(720,652)
Due to customers		974,677	(1,235,379)
Loans from banks collateralized by securities		310,764	45,745
Loans to banks collateralized by securities		30,020	-
Other liabilities		397,628	103,904
Cash inflow/(outflow) from operating activities before taxation		<u>1,370,311</u>	<u>(994,092)</u>
Income tax paid		(4,610)	(3,335)
Cash inflow/(outflow) from operating activities		<u>1,365,701</u>	<u>(997,427)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment and intangible assets		(51,380)	(45,469)
Proceeds on sale of property and equipment and intangible assets		2,363	9,302
Proceeds on securities pledged under repurchase agreements		(317,199)	-
Proceeds on securities held to maturity		-	20,325
Purchase of securities available for sale		268,784	198,577
Proceeds on sale of securities available for sale		<u>349,370</u>	<u>278,154</u>
Net cash inflow/(outflow) from investing activities		<u>251,938</u>	<u>460,889</u>

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BELINVESTBANK JSC
SUMMARY INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2015 (CONTINUED)
(in millions of Belarusian roubles)

	Notes	Three Months ended 31 March 2015	Three Months ended 31 March 2014
CASH FLOWS FROM FINANCING ACTIVITIES:			
Dividends paid		(16,619)	(85,615)
Proceeds from debt securities issued		2,001,450	232,144
Purchase and redemption of debt securities issued		(2,051,453)	(385,779)
Net cash inflow/ (outflow) from finance activities		<u>(66,622)</u>	<u>(239,250)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		1,551,017	(775,788)
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS		95,453	26,616
INFLATION EFFECT ON MONETARY ASSETS AND LIABILITIES		-	(126,013)
CASH AND CASH EQUIVALENTS, beginning of the period	4	<u>1,857,262</u>	<u>3,718,845</u>
CASH AND CASH EQUIVALENTS, end of the period	4	<u><u>3,503,732</u></u>	<u><u>2,843,660</u></u>

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**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 three 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.