

Belinvestbank Group`s IFRS results for the six months ended 30 June 2015

The operating income of the Group for the six months ended 30 June 2015 reached BYR 755,141 million and decreased by 18.14% in comparison with six months ended 30 June 2014.

The operating expenses of the Group for the six months ended 30 June 2015 reached BYR 817,819 million and increased by 13.55% in comparison with six months ended 30 June 2014.

Net profit before loss on net monetary position reached BYR 186 million and decreased in more than 980 times in comparison with the same period of the past year (30.06.2014: BYR 182.3 billion).

The decrease of net profit before loss on net monetary position was caused by the growth of the allowance for impairment losses on interest bearing assets, exceeding the positive dynamics of net interest income.

From 1 January 2015 the Belarusian economy is no longer considered to be hyperinflationary and the values of the Bank's non-monetary assets, liabilities and equity as stated in measuring units as at 31 December 2014 have formed the basis for the amounts carried forward.

Net profit after loss on net monetary position reached BYR 186 million (2014: 34.97 billion). The total comprehensive income reported in consolidated statement of comprehensive income totaled BYR 6,899 million and decreased by 75% versus net comprehensive income for the six months ended 30 June 2014, that totaled BYR 27,602 million.

Highlights for the six months ended 30 June 2015

	Six Months ended 30 June 2015 BYR million (%)	Six Months ended 30 June 2015 / Year ended 31 December 2014 BYR million (%)	Change
Operating income	755,141	922,529	-18.14%
Net interest income before impairment loss	640,374	537,903	19.05%
Net non-interest income	441,124	495,670	-11.00%
Operating expenses	-817,819	-720,213	13.55%
Net profit before loss on net monetary position	186	182,289	-99.90%
Loss on net monetary position	-	-147,316	-100.00%
Assets / Equity	9.01	7.79	1.22
Total comprehensive income	6,899	27,602	-75.01%
Total assets	32,844,109	28,477,768	15.33%
Risk weighted assets	27,674,006	22,831,418	21.21%
Due to customers	23,569,207	19,493,404	20.91%
Total equity	3,645,106	3,654,826	-0.27%
Capital adequacy ratio, Basel 1	13.17%	16.01%	-2.84 p.p.
ROE (%)	0.19%	0.76%	-0.57 p.p.
ROA (%)	0.02%	0.10%	-0.07 p.p.
Cost to income ratio	1.083	0.78	0.3
Loans, gross	21,232,374	18,787,497	13.01%
Allowance for impairment on loans to customers	-1,024,755	-850,533	20.48%
Net loans	20,207,619	17,936,964	12.66%
Allowance for impairment losses on loans to customers	-331,598	-150,261	120.68%
Allowance for impairment on loans to customers/Gross Loans (%)	4.8%	4.5%	0.3 p.p.
NPL/Loans gross, (%)	5.5%	4.5%	1.02 p.p.
Allowance for impairment on loans to customers/NPL	0.9	1.0	-0.14