



SB HSBC Bank Kazakhstan JSC is a 100 % subsidiary of HSBC Bank plc and is part of HSBC Group with headquarters in London. The latter having 10 000 properties in 83 countries and territories of the world. Total Assets of HSBC Group for 2007 equal to 2 354 billion US Dollars.

Balance Sheet
SB HSBC Bank Kazakhstan JSC
As of 31 December 2007 and 2006

(KZT thousands)

| Description | 2007 | 2006 |
|--|-------------------|-------------------|
| Assets | | |
| Cash in hand | 340,779 | 412,391 |
| Balances at the National Bank | 19,167,530 | 7,123,294 |
| Correspondent accounts and claims to other banks (less impairment losses) | 15,255,925 | 4,060,350 |
| Trading Assets | 1,795,705 | 6,017,530 |
| Loans and advances to other banks (less impairment losses) | 12,585,867 | 7,628,403 |
| Loans and advances to customers (less impairment losses) | 16,955,306 | 20,175,465 |
| Available-for-sale assets | 1,287,966 | 2,305,495 |
| Amounts receivable under reverse repurchase agreements | 4,001,645 | - |
| Deferred tax | 29,511 | 58,966 |
| Investments into capital and subordinated debt | 2,209 | 2,209 |
| Fixed assets (less amortisation) | 75,232 | 45,177 |
| Intangible assets (less amortisation) | 53,522 | 21,835 |
| Derivatives | 82,304 | 22,545 |
| Other assets (less impairment loans) | 421,120 | 197,281 |
| Total assets: | 72,054,621 | 48,070,941 |
| Liabilities | | |
| Deposits by banks | 5,851,282 | 7,801,022 |
| Customer accounts | 57,885,693 | 33,398,640 |
| Tax liabilities | - | 88,770 |
| Derivatives | 12,712 | 126,836 |
| Other liabilities | 323,084 | 168,469 |
| Total liabilities: | 64,072,771 | 41,583,737 |
| Shareholder's equity | | |
| Share capital including: | 3,360,000 | 3,360,000 |
| Called up share capital - ordinary shares | 3,360,000 | 3,360,000 |
| Share premium account | 74,485 | 74,485 |
| Reserve capital | 448,627 | 448,627 |
| Revaluation reserve for available-for-sale assets | (8,962) | (413) |
| Retained earnings | 4,107,700 | 2,604,505 |
| Total Shareholder's equity: | 7,981,850 | 6,487,204 |
| Total Liabilities and Shareholder's equity: | 72,054,621 | 48,070,941 |

Annual Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS) certified by Independent

Auditors KPMG Audit LLC

Chief Executive Officer

M.Eastwood

Financial Controller

Zh.Zhetpisbayeva