



Three nude  
at the table  
Zadkine, Ossip

## **Belorussian- Russian Belgazprombank Joint Stock**

**Authorized Bank of  
PJSC «Gazprom»  
in the Republic  
of Belarus**

## KEY INFORMATION

Area	207 600 sq km
Population	9,5 mln
Official languages	Belarusian and Russian
Currency	Belarusian Ruble (BYN)

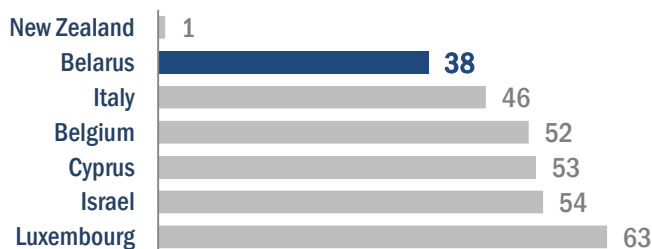
Indicator	2017	2018
GDP, bn*	USD 53,3	USD 56,3
GDP per capita, thnd*	USD 5,6	USD 5,9
Inflation rate	4,6%	5,6%
Gross external debt/GDP	73,4%	66,5%

\*USD/BYN exchange rate as of 01.01.2018 and 01.01.2019

Source: National Bank of the Republic of Belarus, National Statistical Committee

## INTERNATIONAL RANKING

### EASE OF DOING BUSINESS (190 COUNTRIES)



Source: WB Doing Business Report, 2018

Name	Change	Rank 2018	Rank 2017
Overall	↓ -1	38	37
Starting a Business	↑ 1	30	31
Dealing with Construction Permits	↑ 6	22	28
Getting Electricity	↓ -1	25	24
Registering Property	-	5	5
Getting Credit	↑ 11	90	101
Protecting Minority Investors	↑ 2	40	42
Paying Taxes	↑ 3	96	99
Trading across Borders	-	30	30
Enforcing Contracts	↑ 3	24	27
Resolving Insolvency	↑ 1	68	69



## RATINGS

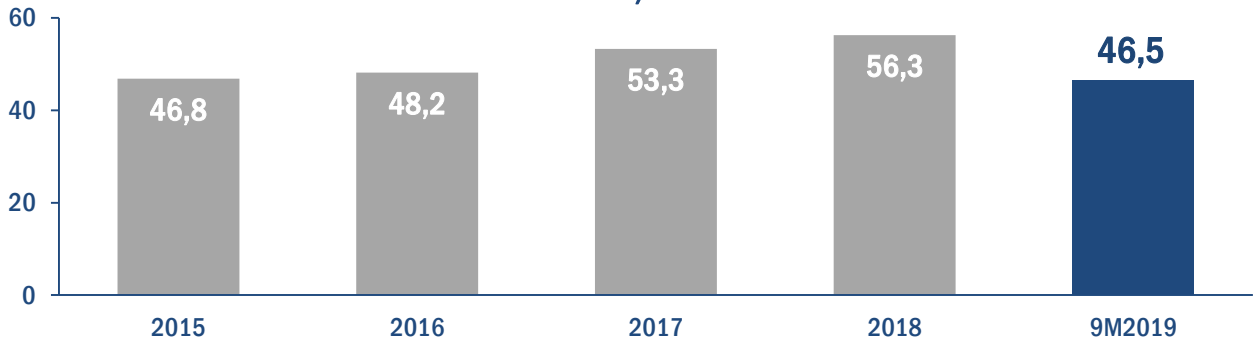
Moody's	B3	Stable
Standard&Poor's	B	Stable
FitchRatings	B	Stable
China Chengxin International Credit Rating Co., Ltd.*	AA+ (national scale) BBg (international scale)	Stable

\* the joint venture credit rating company among China Chengxin Securities Rating Company Limited, Fitch Ratings and International Finance Corporation established in 1999

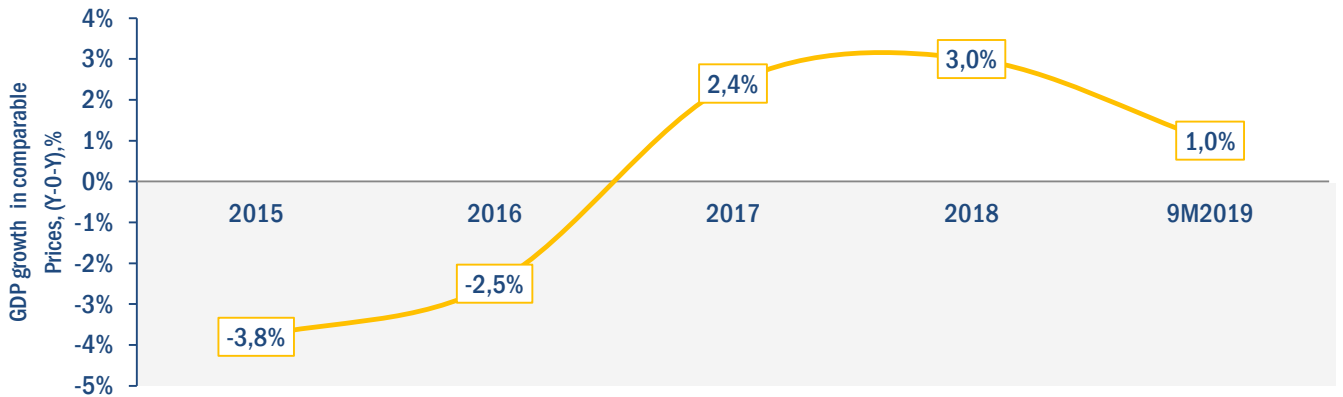
## MAIN INDUSTRIES

- Mechanical engineering (production of trucks, buses, quarry lorries, tractors, different types of harvesters, agricultural machines, etc.)
- Chemical and petrochemical
- Metallurgy
- Fuel-power complex
- Agriculture
- Light industry
- Food industry

**GDP DYNAMICS, bn USD\***

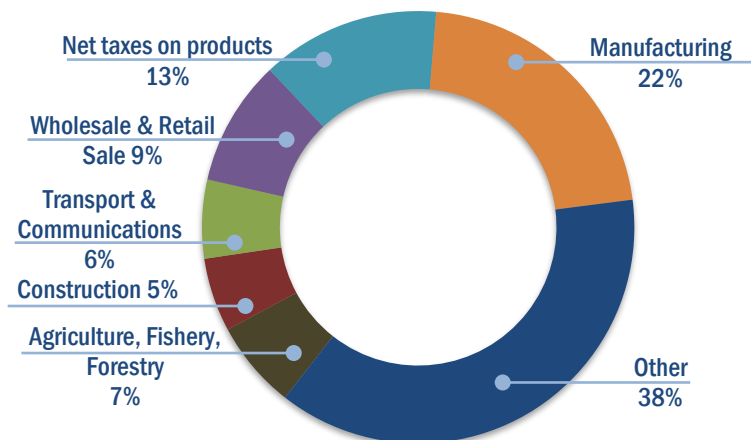


**GDP GROWTH**



\*USD/BYN exchange rate as at the last day of month

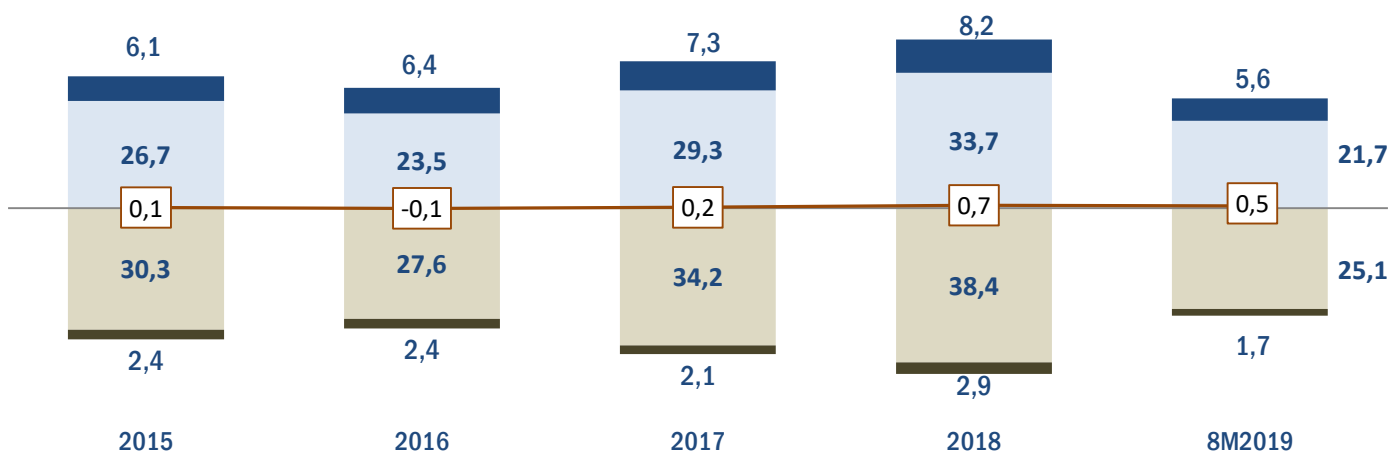
**GDP STRUCTURE AS OF 01.10.2019**



Source: National Statistical Committee of Belarus

**FOREIGN TRADE (GOODS&SERVICES), BN USD**

Export of goods    Import of goods    Import of services    Export of services    Balance of trade



Source: National Statistical Committee of Belarus

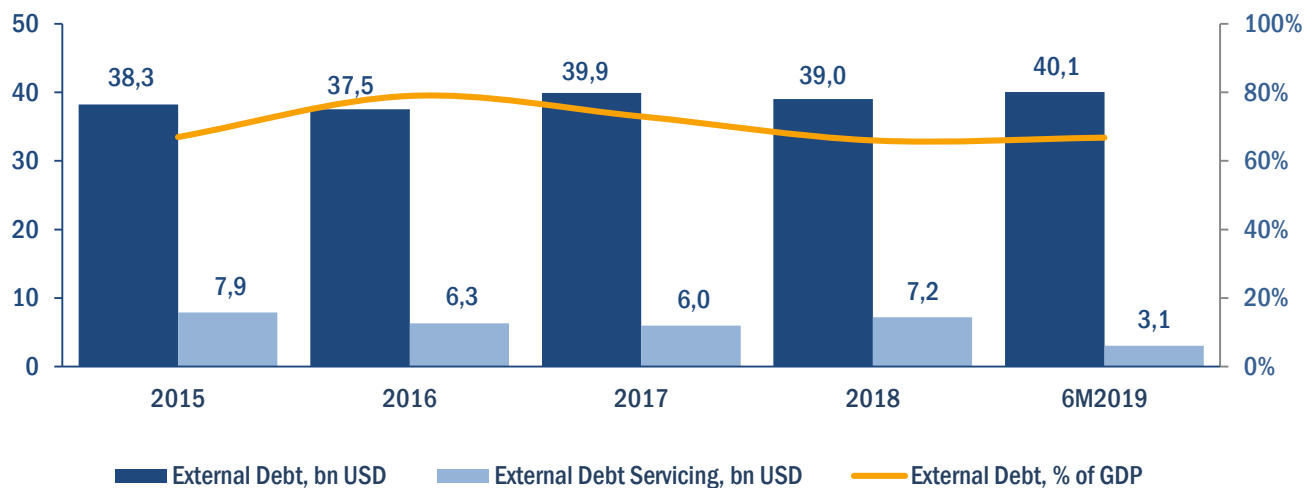
According to National Statistical Committee of Belarus foreign trade is essentially influenced by foreign trade transactions with goods (87% of foreign trade turnover as of 01.09.2019)

**FOREIGN TRADE PARTNERS AS OF 01.10.2019**

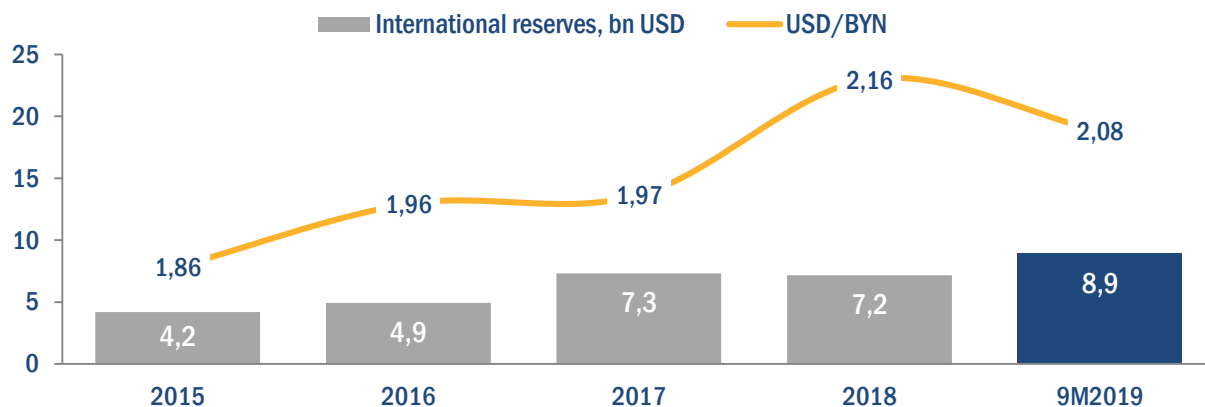
Country	Foreign Trade Turnover, mln USD	Share in Foreign Trade Turnover	Foreign Export, mln USD	Export, % of Total Export	Import, mln USD	Import, % of Total Import
Russia	25838	48,7%	9 948	40,5%	15 890	55,9%
Ukraine	4393	8,3%	3 149	12,8%	1 244	4,4%
China	3273	6,2%	545	2,2%	2 728	9,6%
Germany	2234	4,2%	972	4,0%	1 262	4,4%
Great Britain and Northern Ireland	2068	3,9%	1 855	7,5%	213	0,7%
Poland	1970	3,7%	984	4,0%	986	3,5%
Lithuania	1089	2,1%	802	3,3%	287	1,0%
Netherlands	884	1,7%	575	2,3%	309	1,1%
Kazakhstan	715	1,3%	603	2,5%	112	0,4%
Brazil	704	1,3%	477	1,9%	227	0,8%
Top 10	43168	81,4%	19 910	81,0%	23 258	81,8%
Total	53036	100,0%	24 587	100,0%	28 449	100,0%

Source: National Statistical Committee of Belarus

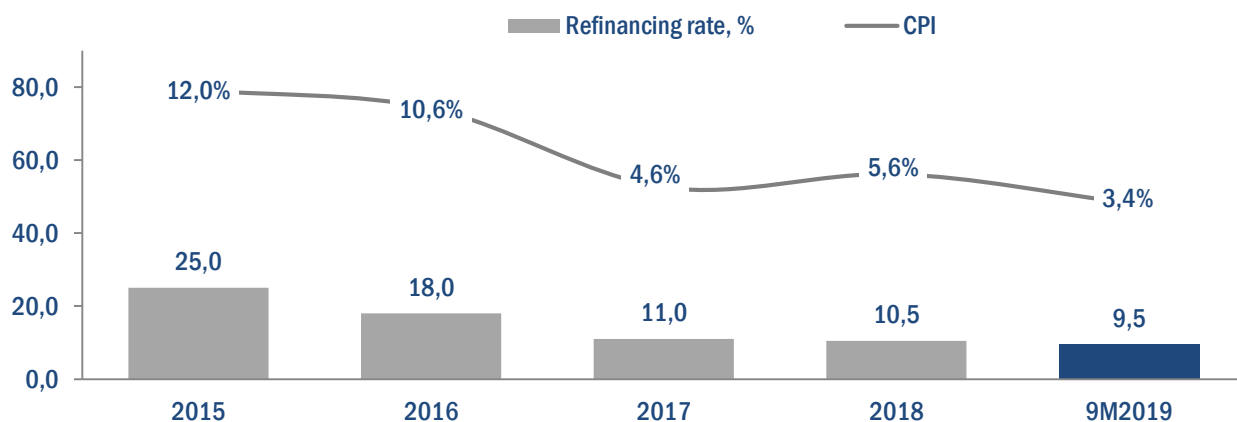
## GROSS EXTERNAL DEBT: ABSOLUTE & RELATIVE MEASURES



## INTERNATIONAL RESERVES



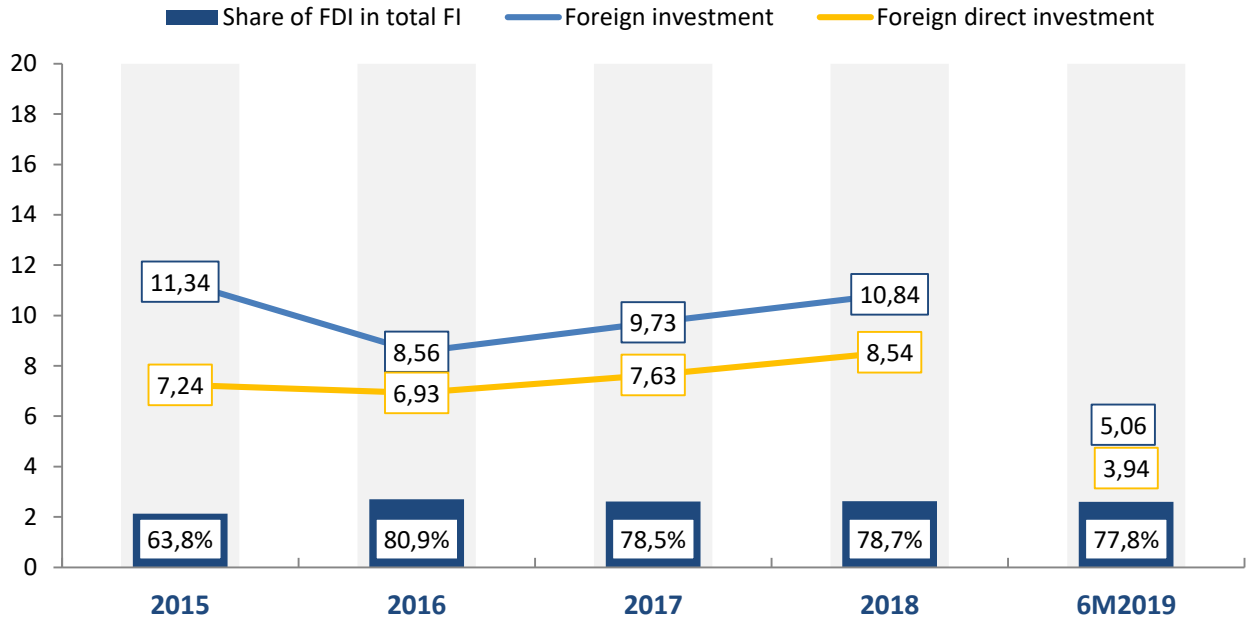
## CPI AND REFINANCING RATE \*



\* Since 20.11.2019 Refinancing rate is 9,0%

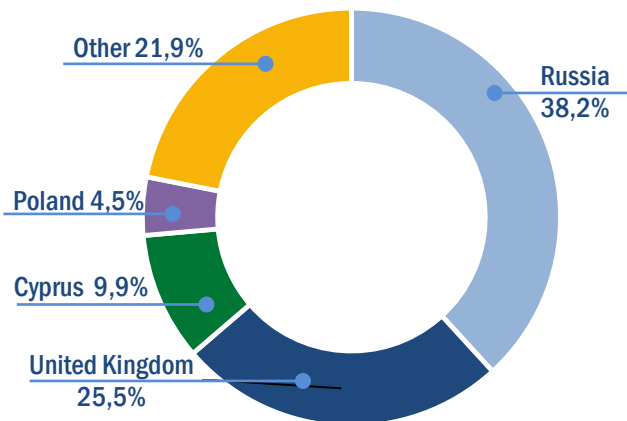
Source: National Bank of the Republic of Belarus

## FOREIGN INVESTMENT BREAKDOWN, BN USD

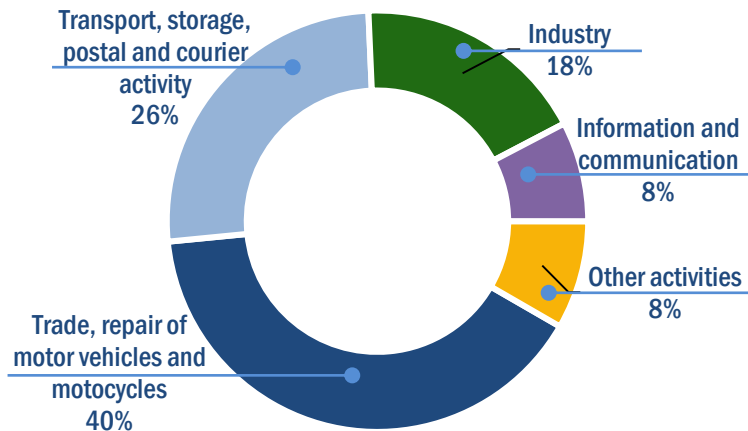


Source: National Statistical Committee of Belarus

### FOREIGN INVESTORS BY COUNTRY BREAKDOWN AS OF 01.07.2019

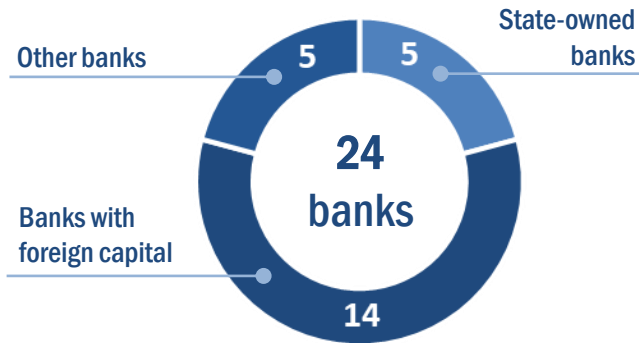


### FDI, SECTOR BREAKDOWN AS OF 01.07.2019



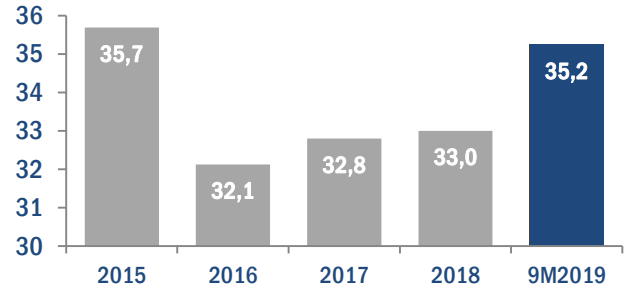
Source: National Statistical Committee of Belarus

**NUMBER OF BANKS**

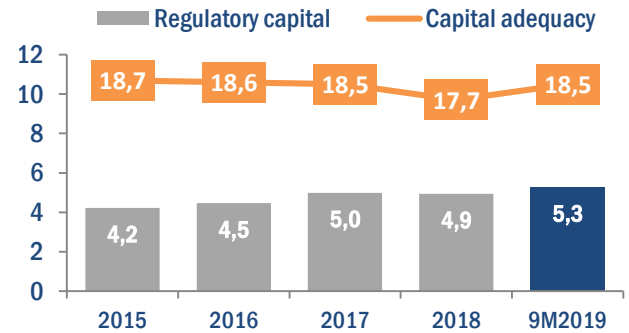


As of 01.10.2019

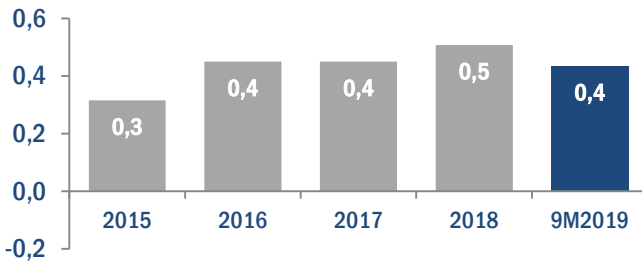
**ASSETS (bn USD)**



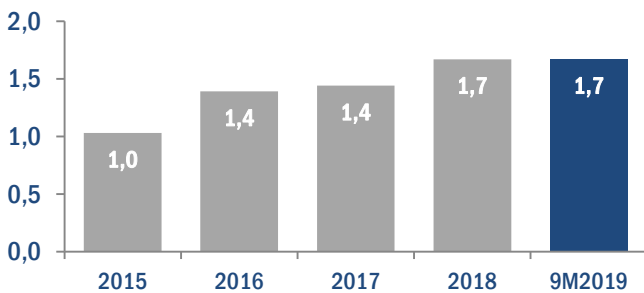
**REGULATORY CAPITAL (bn USD) & ADEQUACY (%)**



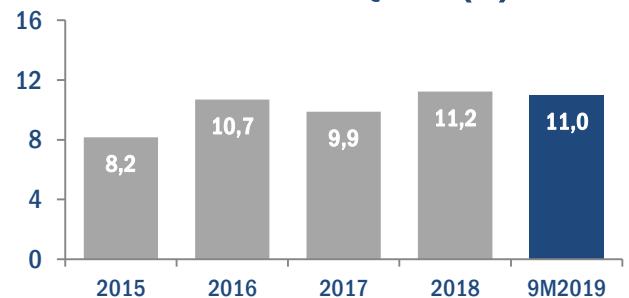
**NET PROFIT (bn USD)**



**RETURN ON ASSETS (%)**



**RETURN ON EQUITY (%)**



Source: Managerial report

## KEY ADVANTAGES OF BELGAZPROMBANK

**Strong financial performance**

**Sound reputation and brand awareness as a universal bank**

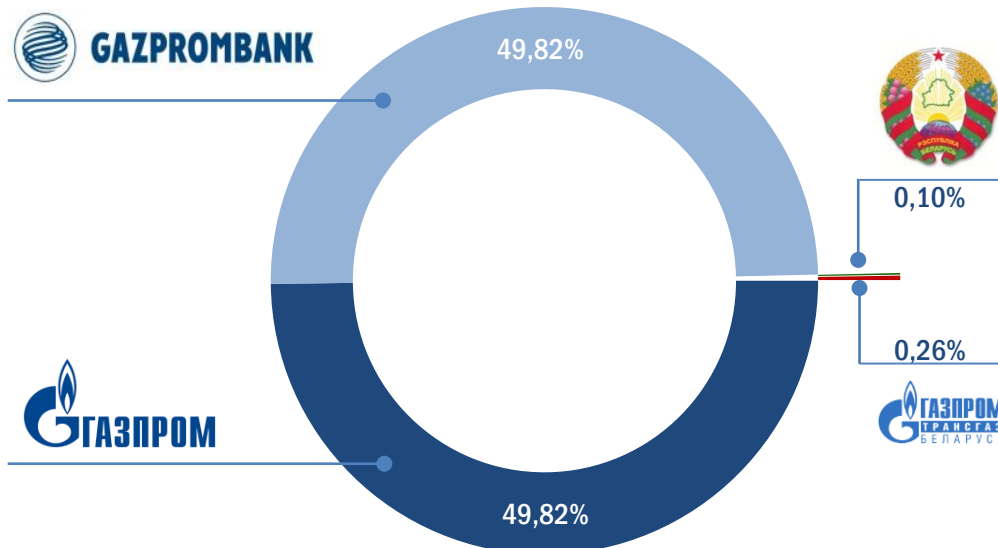
**Quality of assets (low overdue loans ratio) and dynamics of development**

**Results-driven team of professionals**

**Bank's commitment to innovative products and approaches to client servicing**

**Support from shareholders**

## OWNERSHIP STRUCTURE\*



\* As of 01.10.2019



	2015	2016	2017	2018	6M2019
Total Assets (USD mln)	1625,2	1619,7	2178,6	2103,2	2332,5
Net Profit (USD mln)	43,7	48,8	43,0	48,1	14,3
Loans to customers (USD mln)	965,8	986,5	1359,4	1421,3	1581,8
Customer funds (USD mln)	983,3	837,2	1419,0	1262,5	1335,6
Tier I Capital AR (min 6%)	12%	13%	11%	14%	13%
Total Capital AR (min 8%)	18%	20%	17%	17%	15%

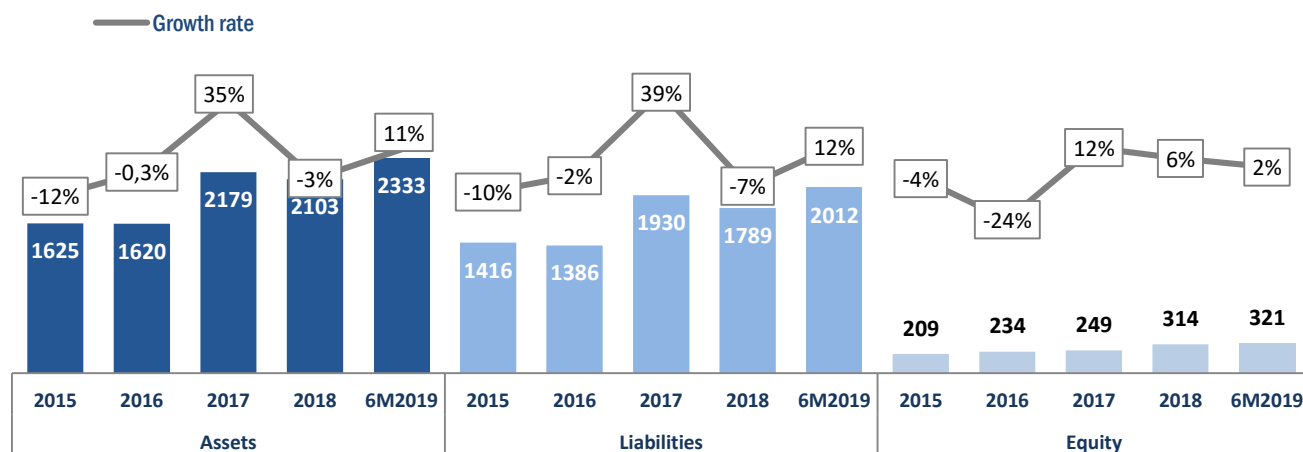


Source: IFRS statements

- Universal commercial bank;
- Belgazprombank, established in 1990, is a privately owned bank with almost 100% of its shares owned by the largest and most reliable Russian holding i.e. Gazprom Group;
- #3 by assets and authorized capital, #4 by regulatory capital and loans in the banking system;
- A branch network of 6 regional offices, 57 smaller outlets and 135 other service points;
- Abt 837,8 thnd retail customers and 41,2 thnd legal entities (incl. individual entrepreneurs);
- Number of employees: 1646;
- FitchRatings: «B» with «Stable» outlook.

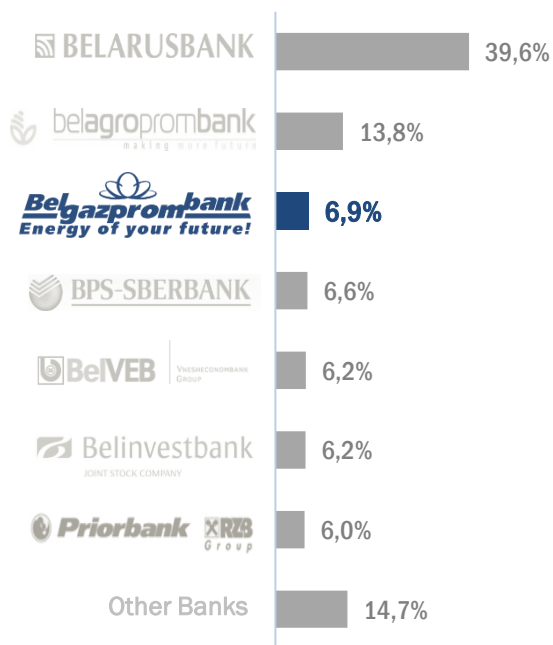
Data as at 01.10.2019

## ASSETS, LIABILITIES & EQUITY DYNAMICS, MLN USD

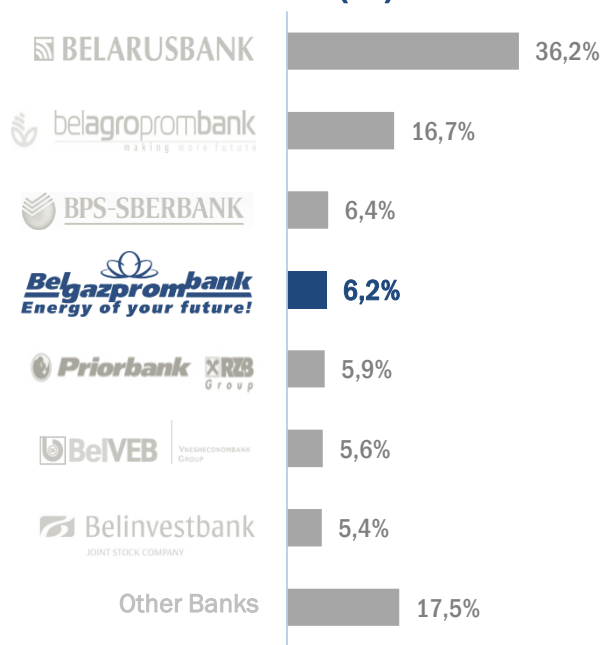


Source: IFRS statements

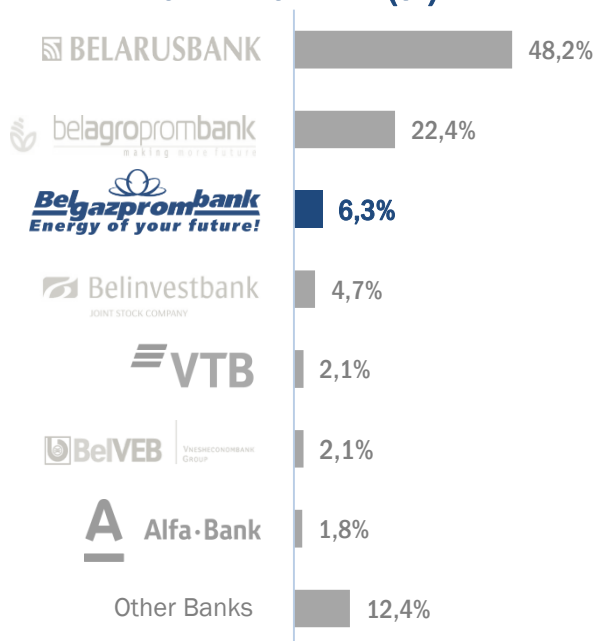
MARKET SHARE IN TOTAL ASSETS (3<sup>d</sup>)



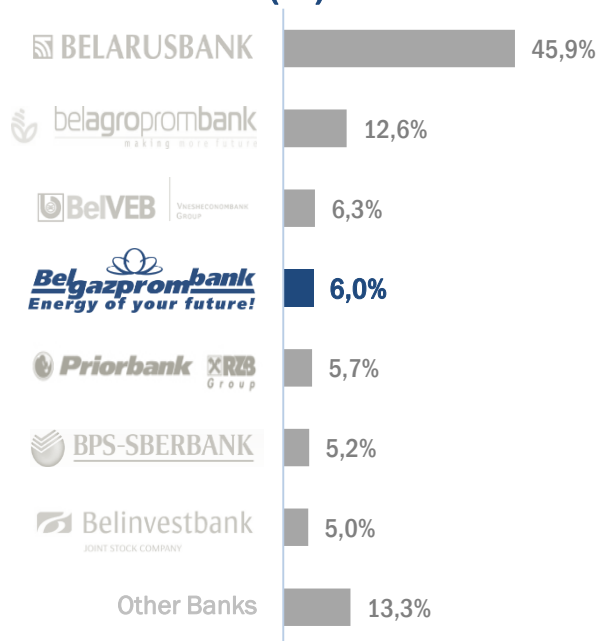
MARKET SHARE IN REGULATORY CAPITAL (4<sup>th</sup>)



MARKET SHARE IN AUTHORIZED CAPITAL (3<sup>d</sup>)

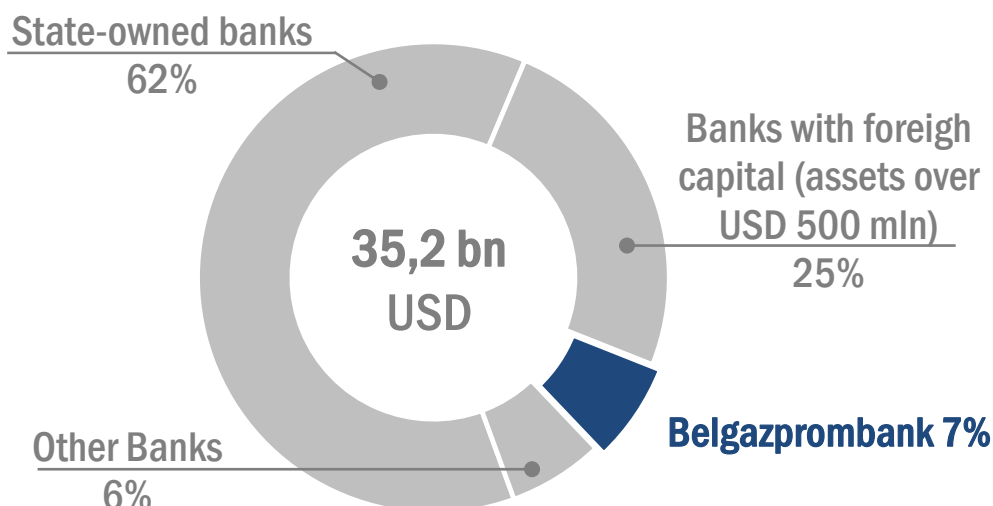


MARKET SHARE IN LOANS (4<sup>th</sup>)



Source: National Bank of the Republic of Belarus as of 01.10.2019

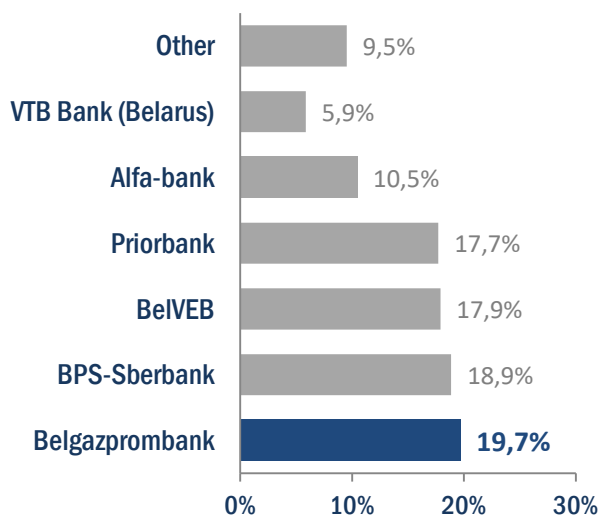
## MARKET SHARE BY ASSETS



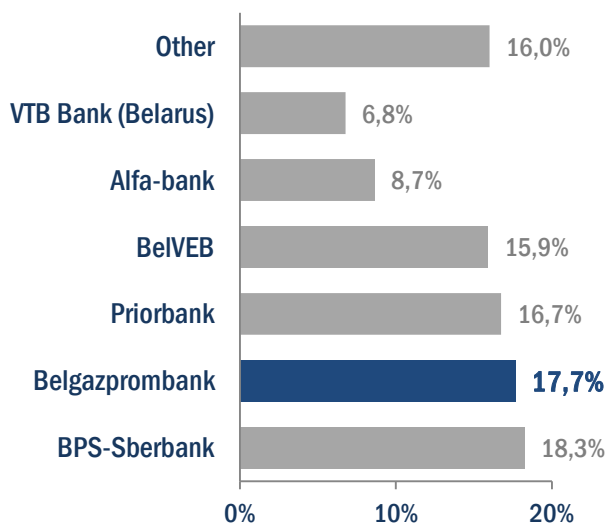
Source: NFRS statements as of 01.10.2019

Belgazprombank is №1 by total assets and №2 by regulatory capital among the banks with foreign capital

## MARKET SHARE BY ASSETS AMONG BANKS WITH FOREIGN CAPITAL



## REGULATORY CAPITAL



Source: NFRS statements as of 01.10.2019

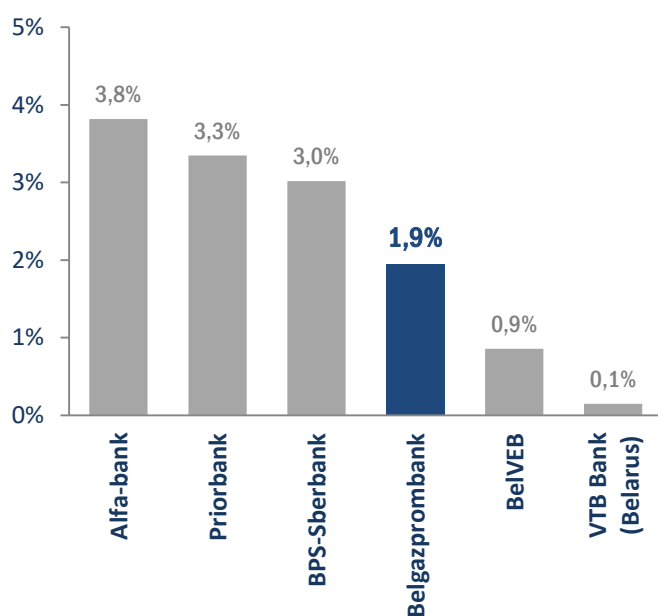
	01.01.2015	01.01.2016	01.01.2017	01.01.2018	01.01.2019	01.10.2019
CAR	13,1%	18%	19,1%	16,5%	17,1%	14,8%
CIR	37,3%	28,6%	36,3%	50,4%	49,98%	58,2%
ROAE	28,1%	30,5%	27,0%	23,7%	20,2%	14,4%
ROAA	4,3%	3,8%	3,4%	2,7%	2,4%	1,9%
On-demand liq. (min 20%)	126,9%	110,6%	61,7%	54,3%	-	-
Current liq. (min 70%)	133,9%	239,6%	148,2%	133,2%	-	-
ST liq. (min 1)	3,3	3,2	1,5	1,5	-	-
NSFR* (min 100%)	-	-	-	-	123,3%	131,5%
LCR* (min 100%)	-	-	-	-	153,3%	167,4%

\*Since 01.01.2018 NBRB adopted NSFR /LCR as per Basel III. On-demand, current and ST liq. ratios were phased out.

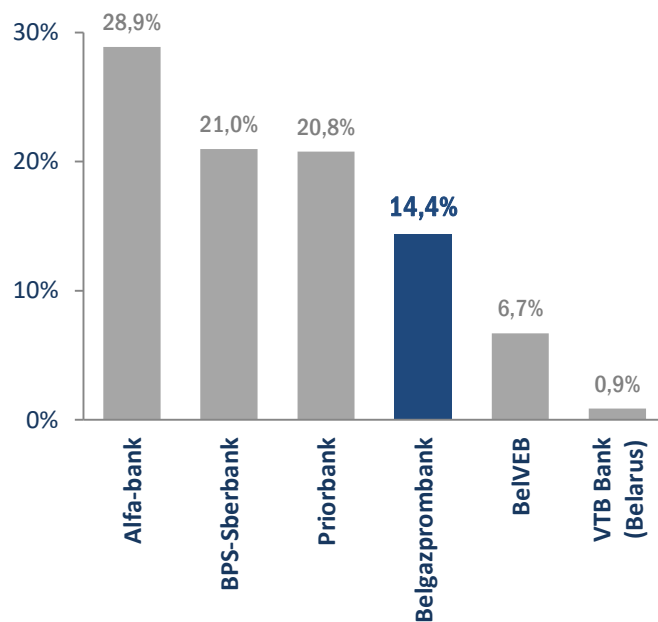
Source: Managerial Accounts, NFRS

In terms of ROEA and ROAA Belgazprombank shows a comparable performance among the banks with foreign capital and assets over USD 500 mln

### RETURN ON AVERAGE ASSETS

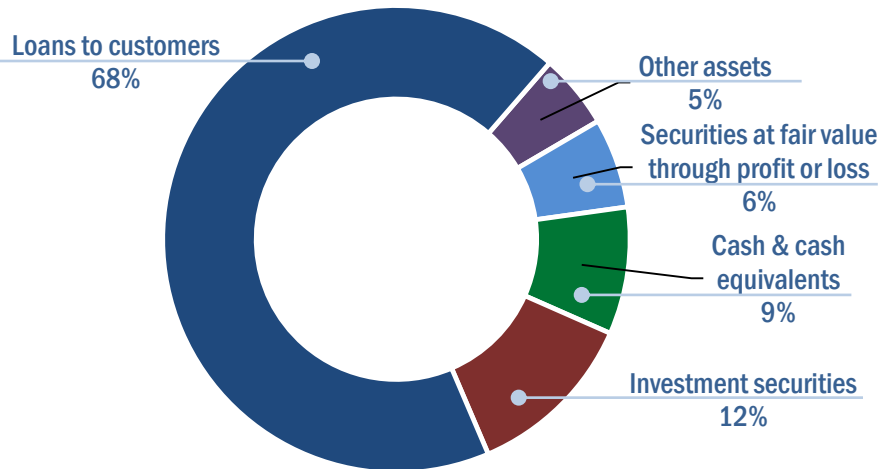


### RETURN ON AVERAGE EQUITY

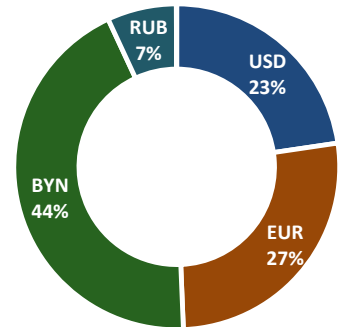


Source: NFRS statements as of 01.10.2019

**ASSETS DISTRIBUTION**

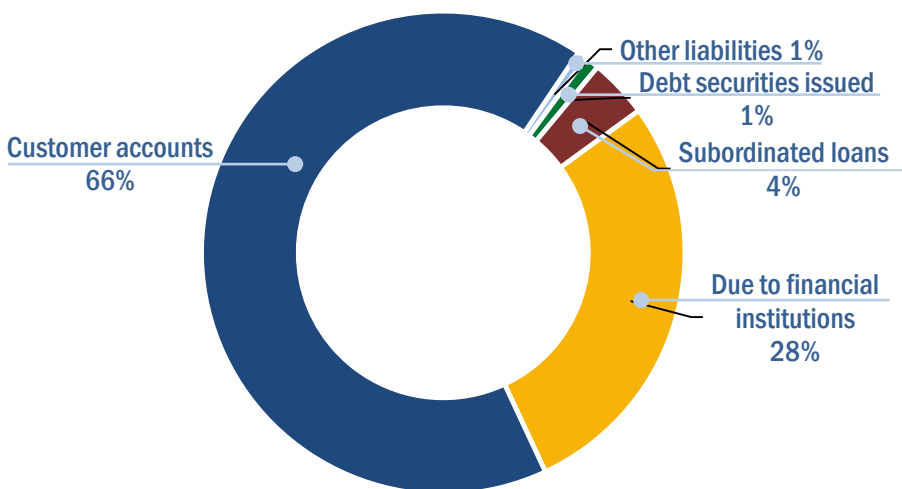


**CURRENCY STRUCTURE**

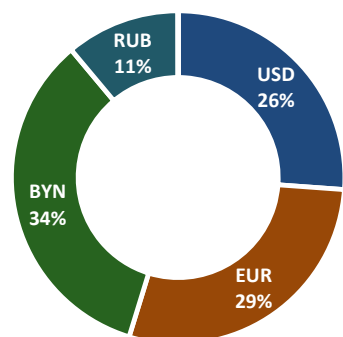


Source: IFRS statements as of 01.07.2019

**LIABILITIES STRUCTURE**

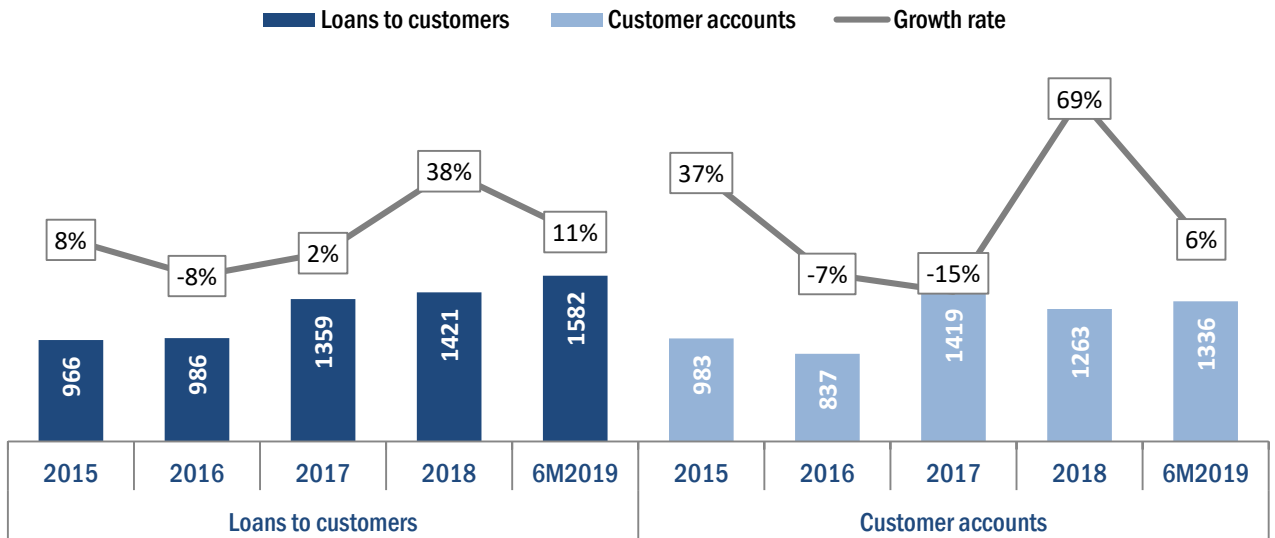


**CURRENCY STRUCTURE**



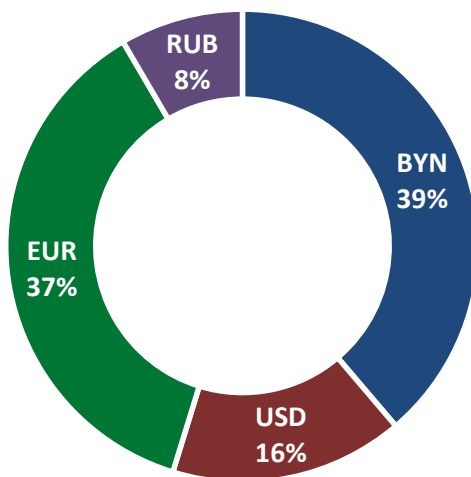
Source: IFRS statements as of 01.07.2019

**LOAN PORTFOLIO & CUSTOMER ACCOUNTS DYNAMICS, MLN USD**

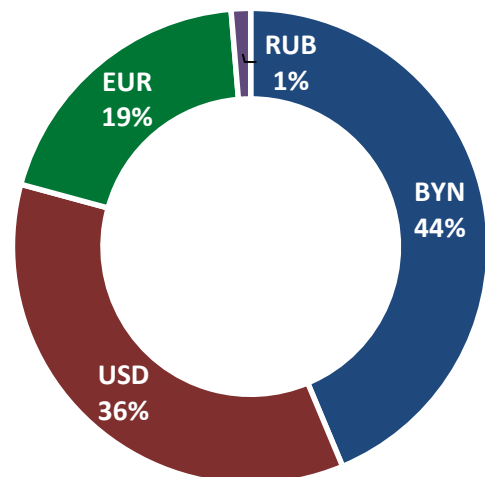


Source: IFRS Statements

**LOANS TO CUSTOMERS BY CURRENCY**

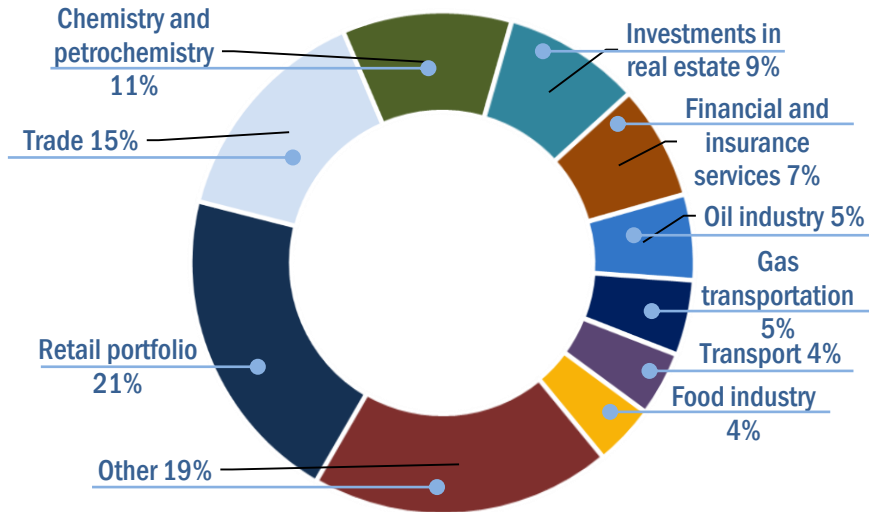


**CUSTOMER FUNDS BY CURRENCY**



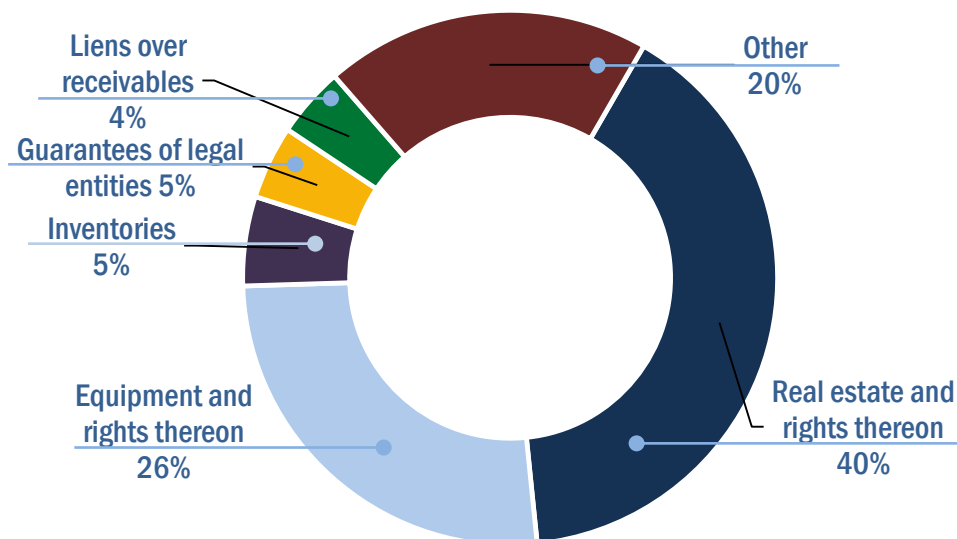
Source: IFRS Statements as of 01.07.2019

**SECTOR BREAKDOWN OF LOAN PORTFOLIO**



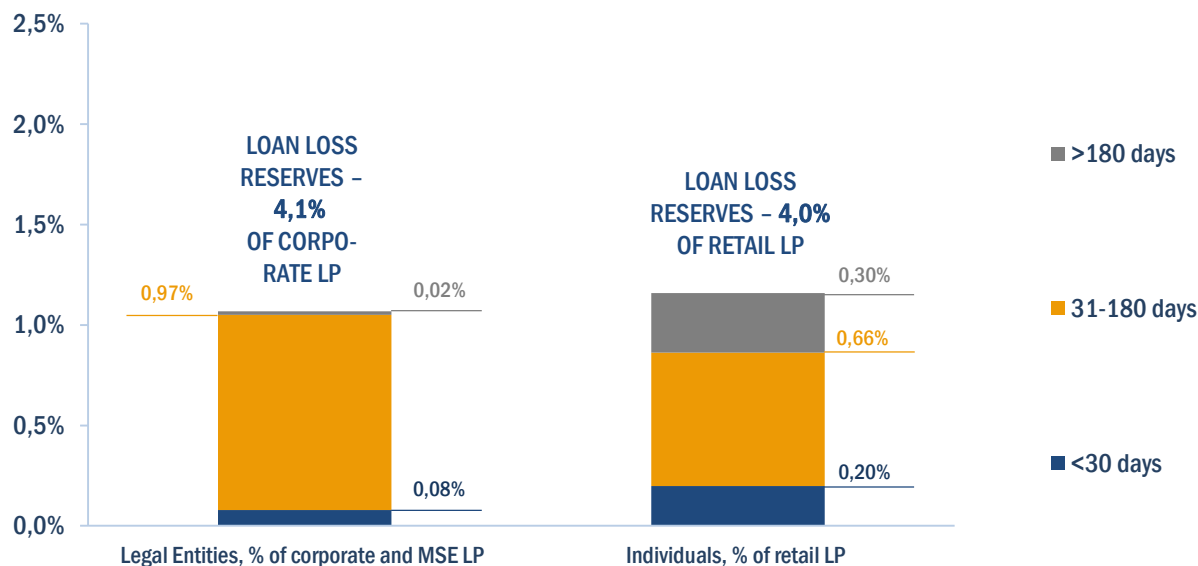
Source: IFRS statements as of 01.07.2019

**LOANS STRUCTURE BY COLLATERAL**



Source: IFRS statements as of 01.07.2019

## STRUCTURE OF OVERDUE LOANS PORTFOLIO BY NUMBER OF DAYS IN ARREARS



Managerial Accounts as of 01.10.2019, NFRS

Proficient due diligence and risk management processes predetermine high loan portfolio quality

## OVERDUE LOANS RATIOS

	2014	2015	2016	2017	2018	9M2019
Share of Overdue Loans <sup>1</sup> in Loan Portfolio, %	0,57	1,40	1,14	0,27	0,37	1,10
Share of Problem Loans <sup>2</sup> in Loan Portfolio, %	1,57	1,44	1,68	0,77	0,37	1,10

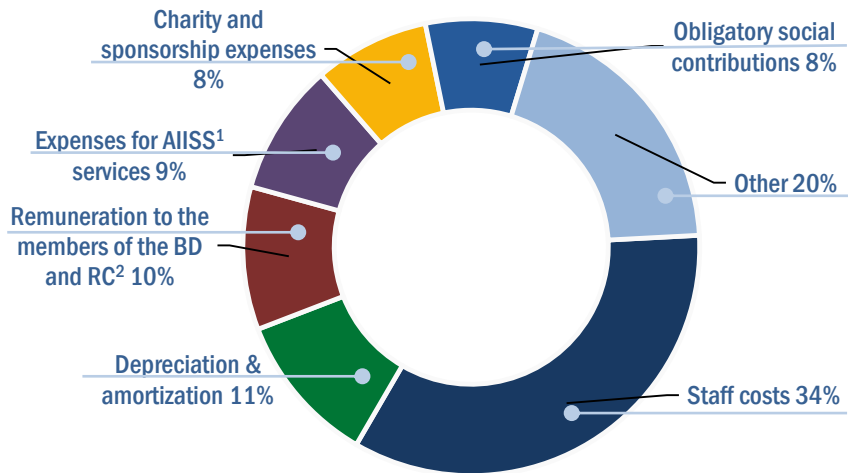
1 Overdue Loans include loans with outstanding indebtedness from 1 day.

2 Problem Loans include Overdue Loans & Restructured Loans.

Source: Managerial Accounts, NFRS

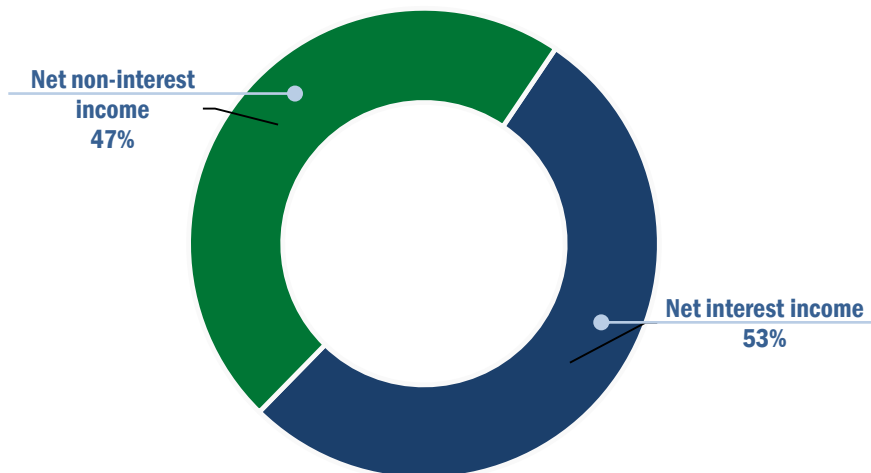


**OPERATING EXPENSE STRUCTURE**



Source: IFRS statements as of 01.07.2019

**OPERATING INCOME STRUCTURE**

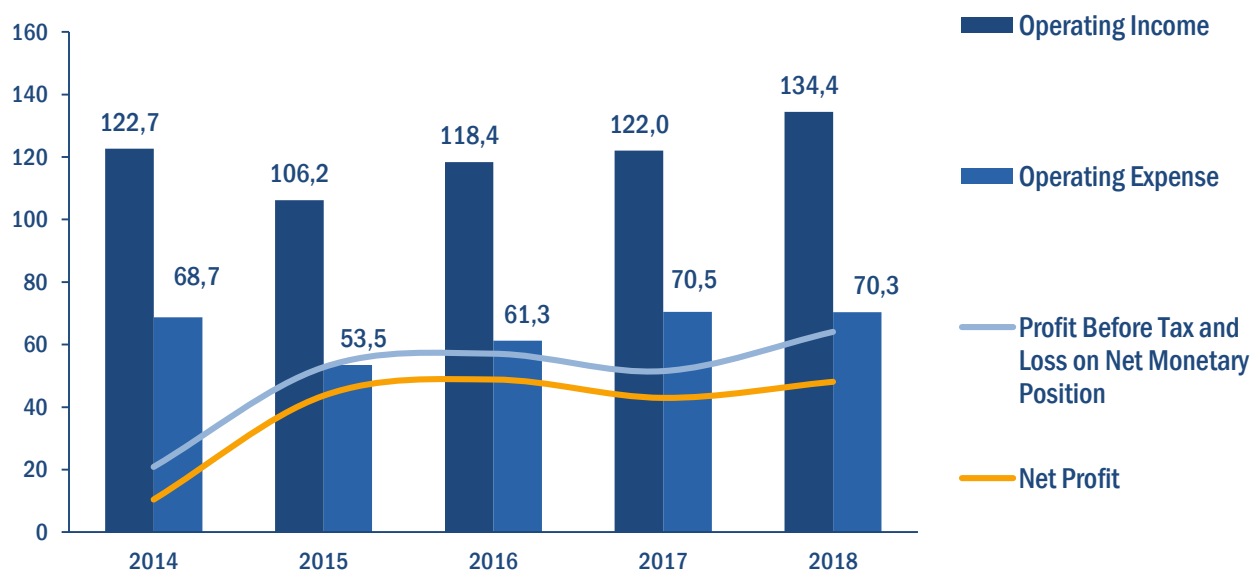


<sup>1</sup>Automated interbank and international settlement system

<sup>2</sup>BD – Board of Directors, RC – Revision Committee

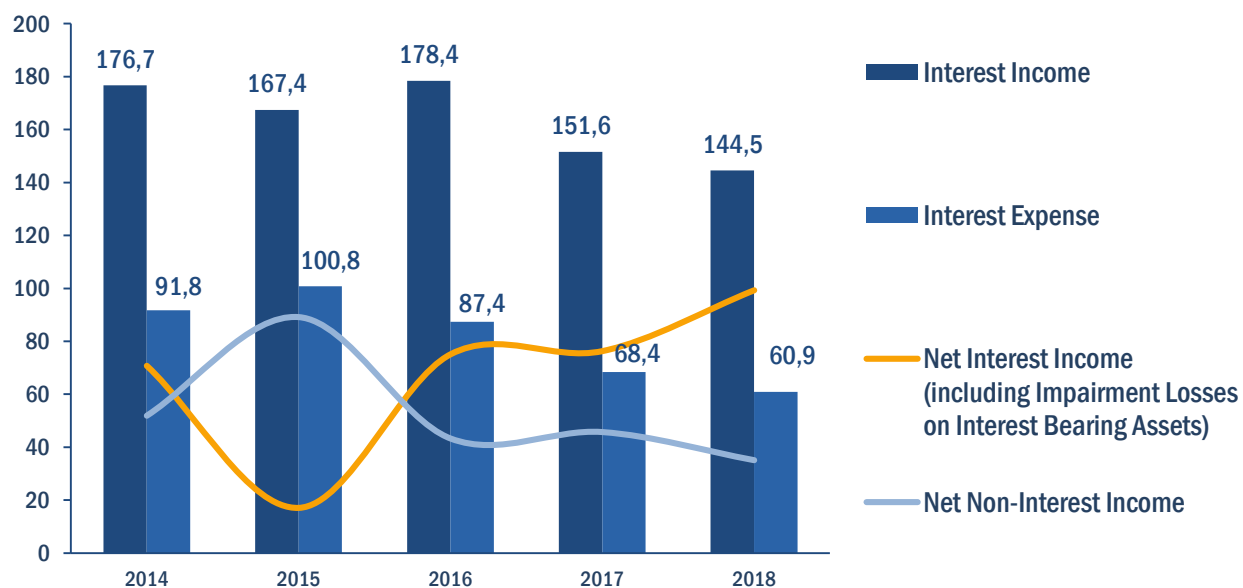
Source: IFRS statements as of 01.07.2019

## OPERATING INCOME & EXPENSE DYNAMICS, MLN USD



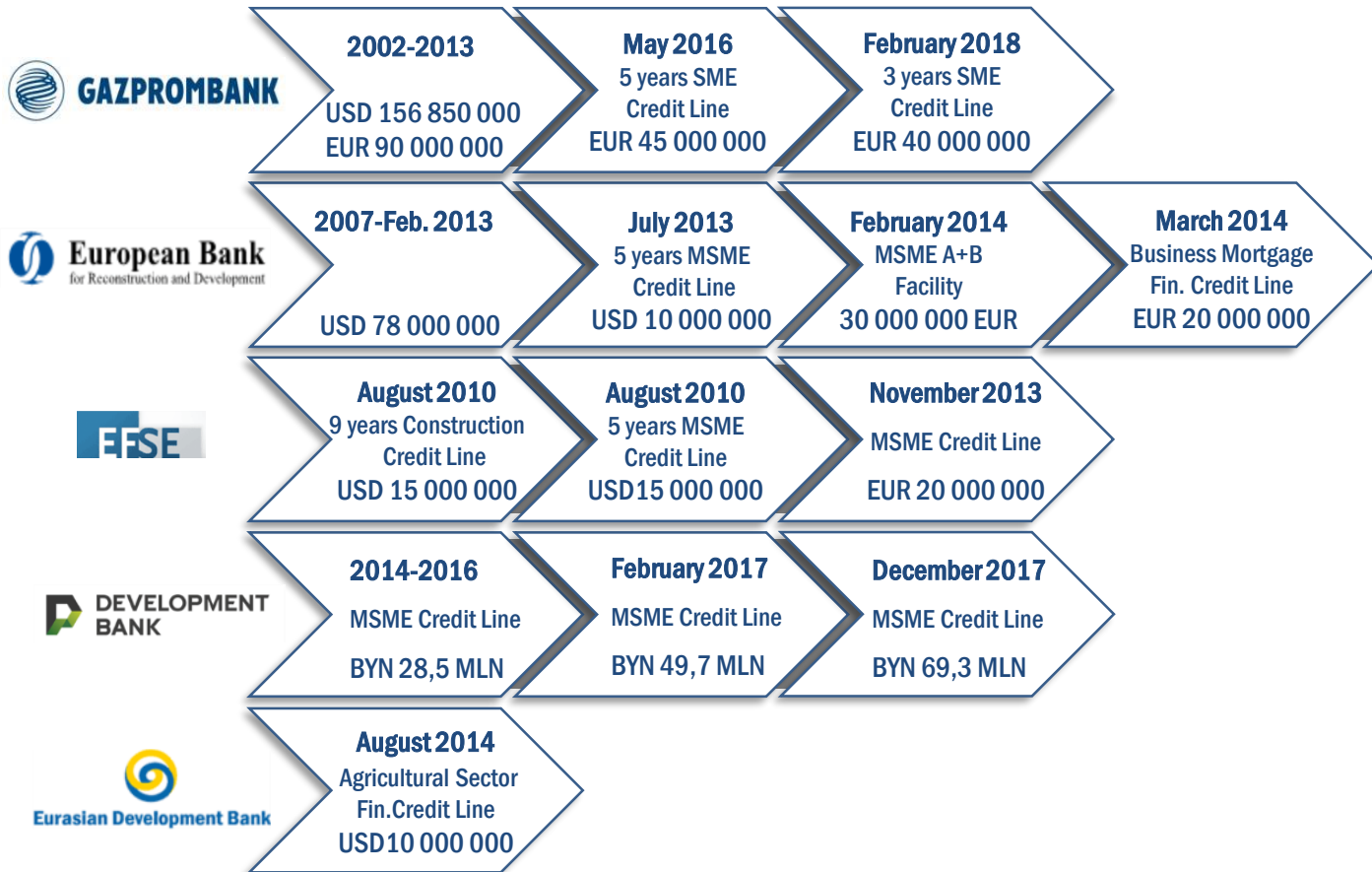
Most banks in Belarus recognized losses under IFRS for 2011 as a result of the hyperinflationary status assigned to Belarus and the application of IAS 29 (Financial Reporting in Hyperinflationary Economies). Starting from 1 January 2015, the economy of Belarus is no longer considered hyperinflationary, thus the value of non-monetary assets, liabilities and equity of the Bank presented in measuring units as at 31 December 2014, was used to form the opening balances as at 1 January 2015.

## INTEREST INCOME & EXPENSE DYNAMICS, MLN USD



Source: IFRS statements

While the focus remains on providing services to Belarusian MSME, Belgazprombank also developed a large international network of more than 100 FIs from more than 20 countries



**TRADE FINANCE PARTNERS**



 **GAZPROMBANK**  
 VTB Capital  **VTB**

USD 10 000 000  
EUR 5 000 000 +

Trade related  
Syndicated loan

September 2006

 **GAZPROMBANK**  
 Bayern LB  **VTB**

USD 35 000 000

Trade related  
Syndicated loan

June 2007

 **GAZPROMBANK**  
 Bayern LB  **VTB**

USD 35 000 000

Trade related  
Syndicated loan

November 2007

 **GAZPROMBANK**  
 Bayern LB  **VTB**

USD 45 000 000 ↑  
USD 35 000 000

The loan dd. June 2007 is  
increased

June 2008

 **GAZPROMBANK**

USD 40 000 000

Subordinated loan

December 2011

 **FESE**

EUR 20 000 000

Bridge Financing

November 2013

 **European Bank**  
for Reconstruction and Development  
 **FESE**

USD 30 000 000

Syndicated loan  
A+B Structure

February 2014

 **GAZPROMBANK**  
 **GAZPROM**

USD 150 000 000

Subordinated loan

January 2015

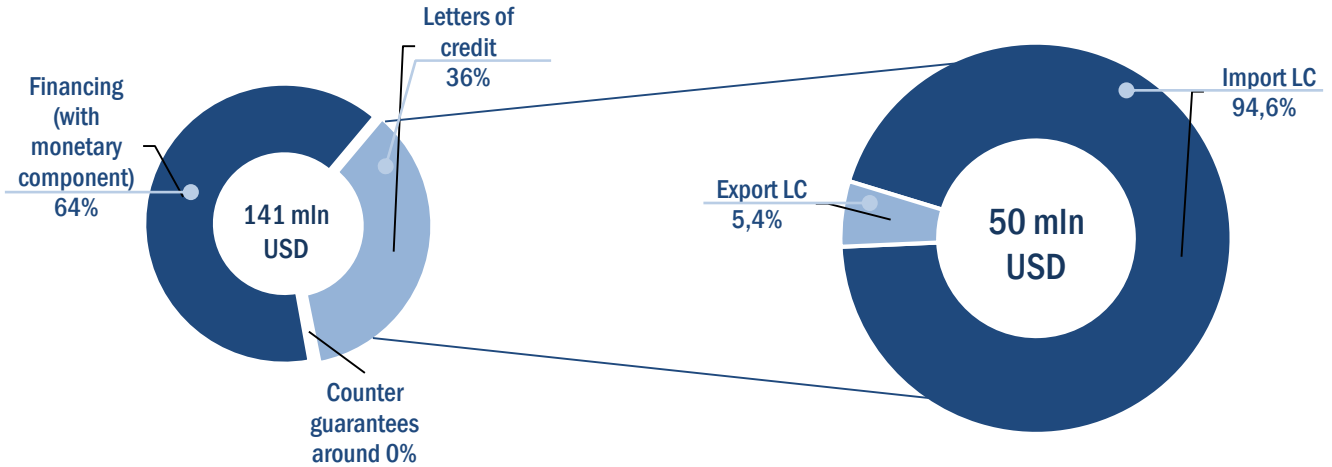
 **GAZPROMBANK**  
 **OTKRITIE** | BANK

EUR 117 500 000

Syndicated loan

June 2018

**VOLUME**



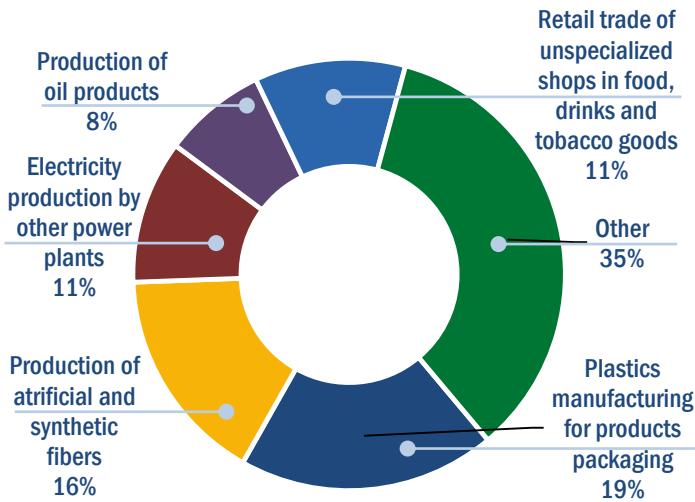
Source: Managerial Account as of 01.10.2019

**NUMBER OF TRANSACTIONS**

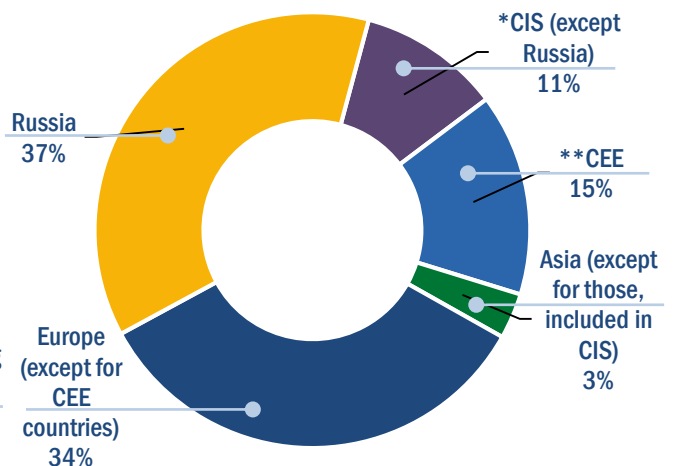
Import LC	Export LC	Counter guarantees	Financing (post financing and direct financing)	Total
108(54,3%)	5 (2,5%)	1 (0,5%)	85 (42,7%)	199

**BREAKDOWN OF TF PORTFOLIO**

**BY ECONOMIC SECTOR**



**BY REGION**



Source: Managerial Accounts as of 01.10.2019

\*Commonwealth of Independent States  
\*\*Central and Eastern Europe

The recognition of our efforts brings pride to all of us and confirms the invaluable price Belgazprombank receives from its stakeholders, customers and employees



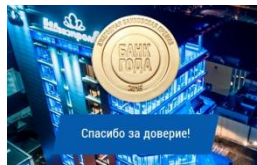
"New Silk Road Finance Awards 2019" Award in the nomination "Best local bank in the region for BRI" by Asia Money

The best partner bank of Development Bank of Belarus in the support of SME 2015-2019

"Best Mobile Banking Application Belarus 2018" and "Fastest Growing Asset Management Bank Belarus 2018" Awards in the "Global Banking & Finance Awards - 2018" competition

"STP Award 2017 Best in Class" VTB Bank (Europe) SE, Germany

Award "The Best Bank for SMEs 2017" in the "Consumer experience - 2017" competition



Patron of Culture of Belarus 2017, 2016 & 2015

Award "HR Brand 2016" in the "Culture" category

Grand Prix of "Bank of the year" award 2016 and "The best bank among the largest banks" award 2016

The best Bank of the year in the nominations "Online Bank", "Banking Service", "Bank for Business", "The most dynamic Bank among the largest banks"

Award "HR Brand 2015" in the "Republic" category



BACEE 2014 Special Award for Transparency in Financial Reporting

"STP Award 2014" Commerzbank AG, Germany

"STP Quality Award January-June 2014" Raiffeisen Bank International (RBI), Austria

"Best Services for Entrepreneurs" within the framework of the Contest "Brand of the Year 2013", Belarus

Gratitude 2013, 2011 "For significant contribution to the implementation of charitable programs" International Children's Charitable Foundation Chance, Belarus

In 2017 for the third consecutive year **BGPB mobile was recognized as the best banking mobile application** in the framework of the independent «Consumer experience» competition held by the reputable portal infobank.by and **as the most functional and convenient mobile bank in Belarus** by the Russian consulting agency Markswebb.



**Payment card without presence at bank office.** Card can be ordered on internet and at a customer's choice delivered to the postbox or received at the office. Activation is made through InternetBank, mobile app, USSD or SMS-request.



**SamsungPay launched** in Belarus in 2017 introduced safe and convenient mobile payment service allowing customers to easily pay for goods and services using their Samsung phones or Gear watches through any terminal accepting bank cards.



**Free of Bank Tellers FX transactions.** Conversion of USD, EUR, RUB into BYN are done by clients themselves using intelligent ATM.



**Mobile application for legal entities and entrepreneurs** provides online access to bank accounts through mobile gadgets all over the world.



**Users' authentication in mobile application through biometrics technology** launched by Belgazprombank is the first service of this kind in Belarus based on Touch ID technology.



**Service of guaranteed payments in favor of third parties** is the first technology of this kind in Belarus (e.g. used by Alibaba, Paypal, Ulej.by, other crowd funding platforms).



Successful systematic international projects in social and cultural spheres are a distinctive feature of the Belgazprombank's activity.



*"...While, in our opinion, theatrical art demonstrates the integration of Belarus into world culture and we try to understand the present-day theatre and imagine the theatre of the future – the collection of art works is a mere flashback. Such projects can be merged to fulfil one important task – to shape our future based on our past, taking our present into account..."*

**Viktor Babaryka**

*Chairman of the Management Board of Belgazprombank*



### Project «Art-Belarus»

The initial idea of a corporate collection «Belarus-Born Artists of the School of Paris» developed into a nationwide project «Art-Belarus» aimed at a historical overview of the fine arts evolution in Belarus in its plenitude and integrity.



### International Theater Forum «TEART»

Annual international theater forum «TEART» conducted under the auspices of Belgazprombank has acquired the status of one of the most important cultural events in Belarus.



### Time and creative work of Leon Bakst

Belgazprombank presented a large-scale international art-project «Time and creative work of Leon Bakst» in the framework of the national historic and cultural project «Art-Belarus» dedicated to the 150th anniversary from the artist's birth and aimed at the provision of a comprehensive picture of the development of national art.



### Autumn Salon of Belgazprombank

A large-scale project the main purpose of which is, on the one hand, to find the most talented artists of Belarus and support their professional development, and, on the other hand, to facilitate the formation of the Belarusian art-market. The winners of the project will be supported in the participation in a world famous Paris Autumn Salon.



### International Children's Charity Foundation Chance

The Foundation, established and supported by Belgazprombank, is currently recognized by the independent Experts as the most significant non-governmental charity foundation in the Republic of Belarus and one of the most successful projects in this field. More than 300 children received help over the recent 5 years for the total amount over USD 3 mln.



### International Handball Tournament

Annual tournament «Belgazprombank's Cup» with the participation of clubs from Russia, the Ukraine, Poland, Spain, France, Macedonia and other countries has become one of the most prestigious international tournaments held within former Soviet territory.



## **BELARUS MACRO**

- BELARUS OVERVIEW (p.2)
- GROSS DOMESTIC PRODUCT (p.3)
- FOREIGN TRADE (p.4)
- EXTERNAL DEBT INDICATORS, INTERNATIONAL RESERVES, CPI AND REFINANCING RATE (p.5)
- FOREIGN DIRECT INVESTMENT (p. 6)
- BANKING SYSTEM (p.7)

## **BELGAZPROMBANK OVERVIEW**

- KEY INFORMATION (pp.8-9)
- MARKET POSITION (pp.10-11)

## **BELGAZPROMBANK FINANCIAL PERFORMANCE**

- FINANCIAL HIGHLIGHTS AND LIQUIDITY (p. 12)
- ASSETS&LIABILITIES (p. 13)
- LOAN PORTFOLIO (pp. 14-15)
- ASSETS QUALITY (p. 16)
- INCOME & EXPENSES (pp.17-18)

## **INTERNATIONAL BUSINESS**

- CREDIT LINES (p.19)
- CAPITAL MARKERS (p. 20)
- TRADE FINANCE (p.21)

## **AWARDS** (p.22)

## **COMMITMENT TO INNOVATIONS** (p.23)

## **SOCIAL ACTIVITY** (p.24)

## **CONTENTS** (p.25)

## **CONTACTS** (p.26)

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