



KAZAKHSTAN STOCK EXCHANGE



September 1, 2014

KASE – Coeval of Tenge



KASE was established on November 17, 1993 under the name of Kazakh Inter-bank Currency Exchange – two days after Tenge (the new national currency of Kazakhstan) had been introduced on November 15, 1993.

Currently, November 15 is observed as the official "Day of National Currency".

KASE Shareholders



KASE is a commercial joint-stock company with **55** shareholders (as of September 1, 2014).

State Institution National Bank of the Republic of Kazakhstan is the largest shareholders.

Shareholders include banks, brokerage firms, asset management companies, pension funds and other professional financial institutions.

Voting method: one share – one vote.

KASE Shares and Capital



As of July 1, 2014

| | |
|-------------------------|--------------------------|
| own capital | KZT 4 840.3 m (\$26.4 m) |
| paid up charter capital | KZT 2 366.3 m (\$12.9 m) |
| authorized shares | 5 000 000 |
| outstanding shares | 942 013 |
| share balance value | KZT 5 138.28 (\$28.0) |

Indexes of profitability

| | Assets, USD m | Net profit, USD m | Return on assets, % | Return on equity, % |
|-------------|--------------------------|------------------------------|--------------------------------|--------------------------------|
| 2013 | 33.4 | 2.3 | 6.8 | 7.5 |
| 2012 | 19.2 | 1.4 | 7.5 | 8.6 |
| 2011 | 17.9 | 1.0 | 6.1 | 6.9 |
| 2010 | 15.1 | 2.1 | 15.1 | 16.0 |
| 2009 | 12.2 | 2.5 | 20.4 | 22.0 |
| 2008 | 11.8 | 1.0 | 8.0 | 10.0 |

The total of members – 58 of which:

"Currency market member" category (with the right to participate in trades with foreign currencies) – 34;

"Stock market member" category (with the right to participate in trades with securities, admitted to circulation (trading) on KASE) – 50;

"Derivatives market member" category (with the right to participate in trades with derivatives) – 17.

Our History (1)



- 1993 – trade in foreign currency (*US dollars*)
- 1995 – launch of trade in T-bills
- 1996 – derivatives (*KZT/USD exchange rate futures*)
- 1997 – listed shares
- 1997 – state-owned shareholding
- 1997 – unlisted corporate securities
- 1998 – launch of KASE "nego" deals system (*to substitute the OTC securities market*)
- 1998 – Euro bonds of Kazakhstan

Our History (2)



1999 – listed bonds

1999 – municipal bonds

1999 – launch of "nego" repo market

2001 – launch of "automatic" repo market *(currently the most massive and active sector of KASE market)*

2006 – foreign corporate bonds *(JP Morgan and Merrill Lynch)*

2006 – IPO of KazMunayGas Exploration Production through the KASE settlement system

2007 – the special trading floor of the Regional Financial Center of Almaty established on the base of KASE *(to attract foreign issuers and investors)*

Our History (3)



2007 – launch of new share market index – **KASE Index with numerical series of KASE_Shares Index**

2007 – KASE becomes a commercial organization

2008 – first trade in affined ingot gold futures

2008 – launch of currency swap transaction market

2009 – restoration of market unity through union of the main trading floor of KASE and STF RFCA

2010 – launch of a new repo transactions market index – TWINA

2011 – transition to a secured system of settlements based on T+0

Our History (4)



2011 – creation of a new multifunctional Internet-trading system – "STrade"

2012 – trial launch of electronic document management system is2in for securities issuers and Exchange members

2012 – conducting of subscription to common shares of KazTransOil JSC under the "People's IPO" program

2013 – the launch of the new share index – Kazakhstan Traded Index Local (KTX Local) calculated by the Vienna Stock Exchange (WBAG)

2013 – obtaining the status of a fully-fledged member of the World Federation of Exchanges

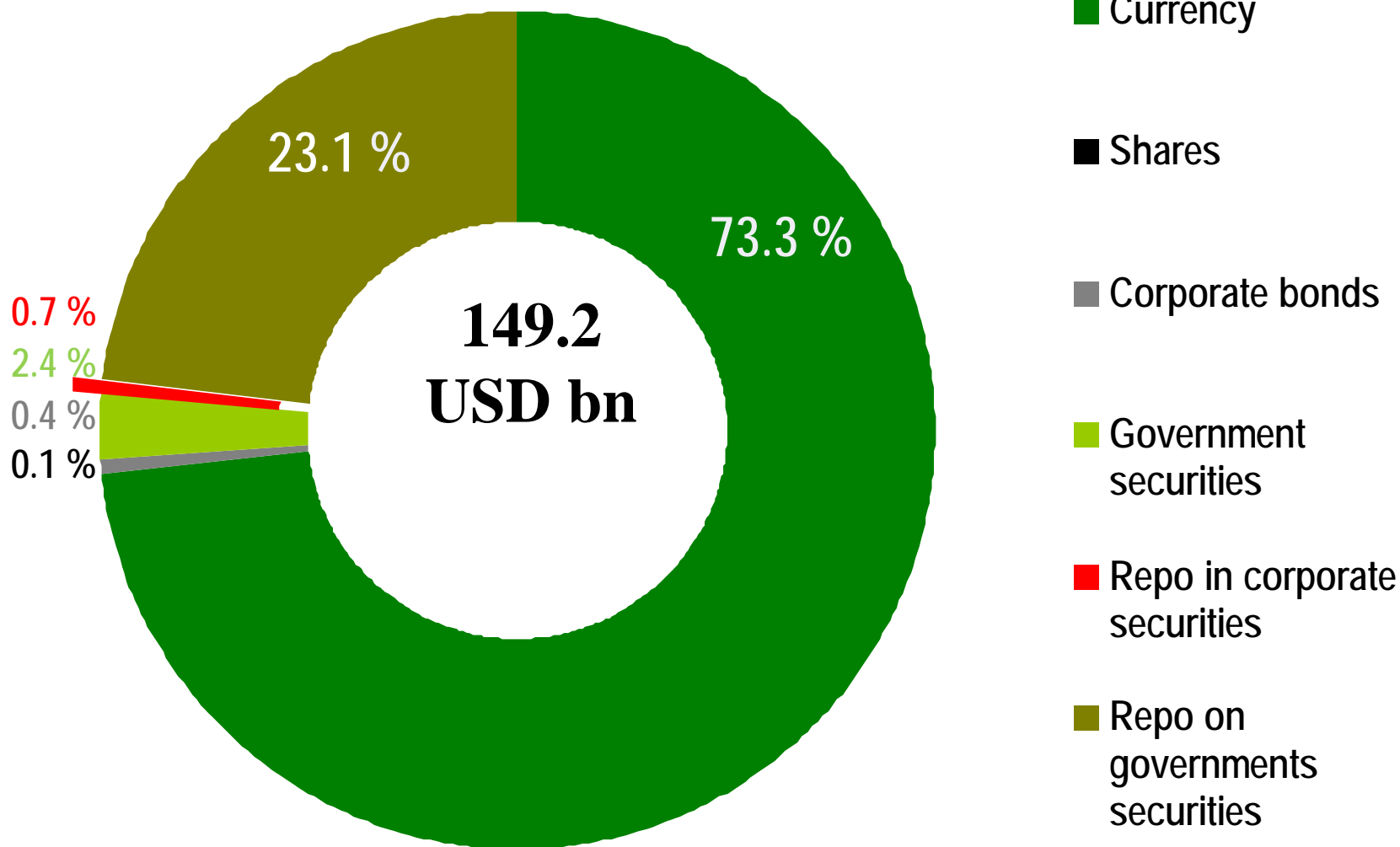
KASE – Universal Market



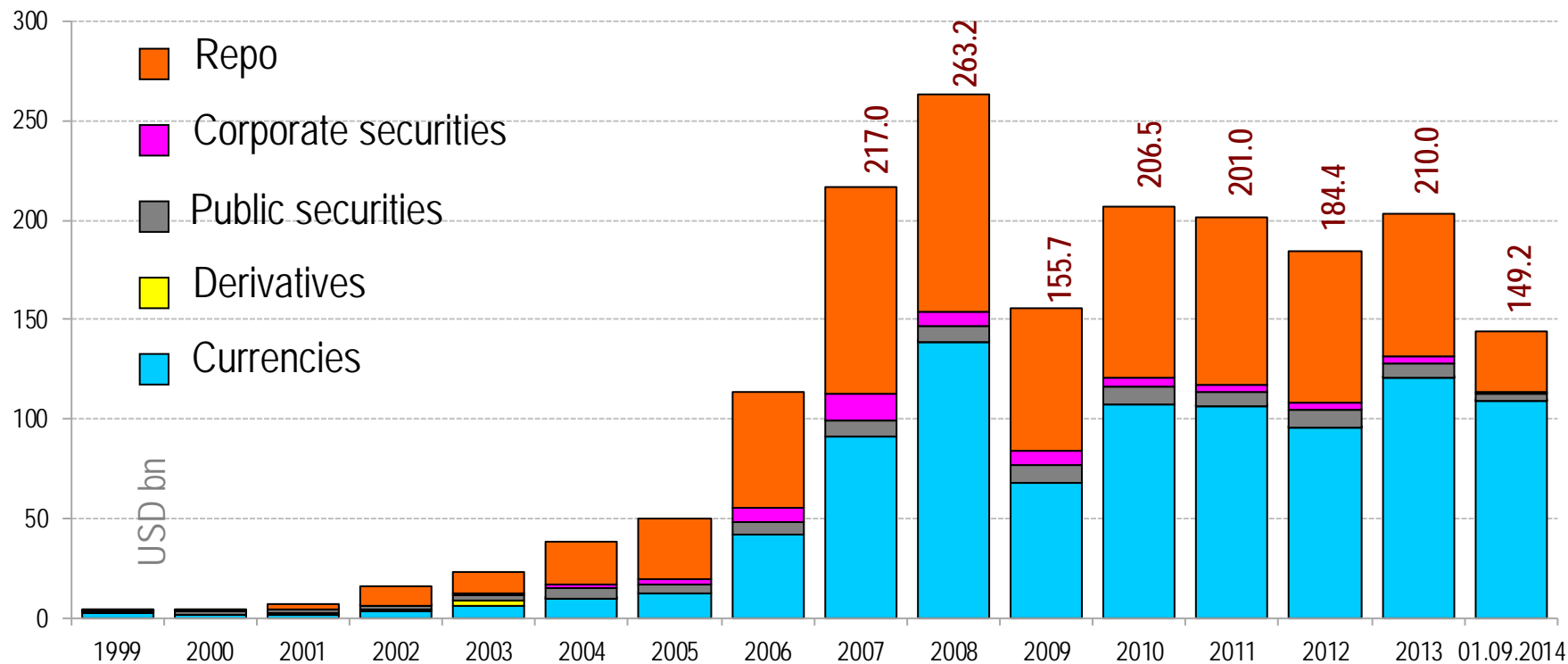
KASE serves a wide range of markets:

- ✓ "nego" and "automatic" repo with government and corporate securities
- ✓ foreign currency (US dollar, euro, Russian ruble)
- ✓ government securities issued by the National Bank, the Ministry of Finance (including Kazakhstan international bonds) and municipal bonds
- ✓ equities
- ✓ corporate bonds
- ✓ futures contracts

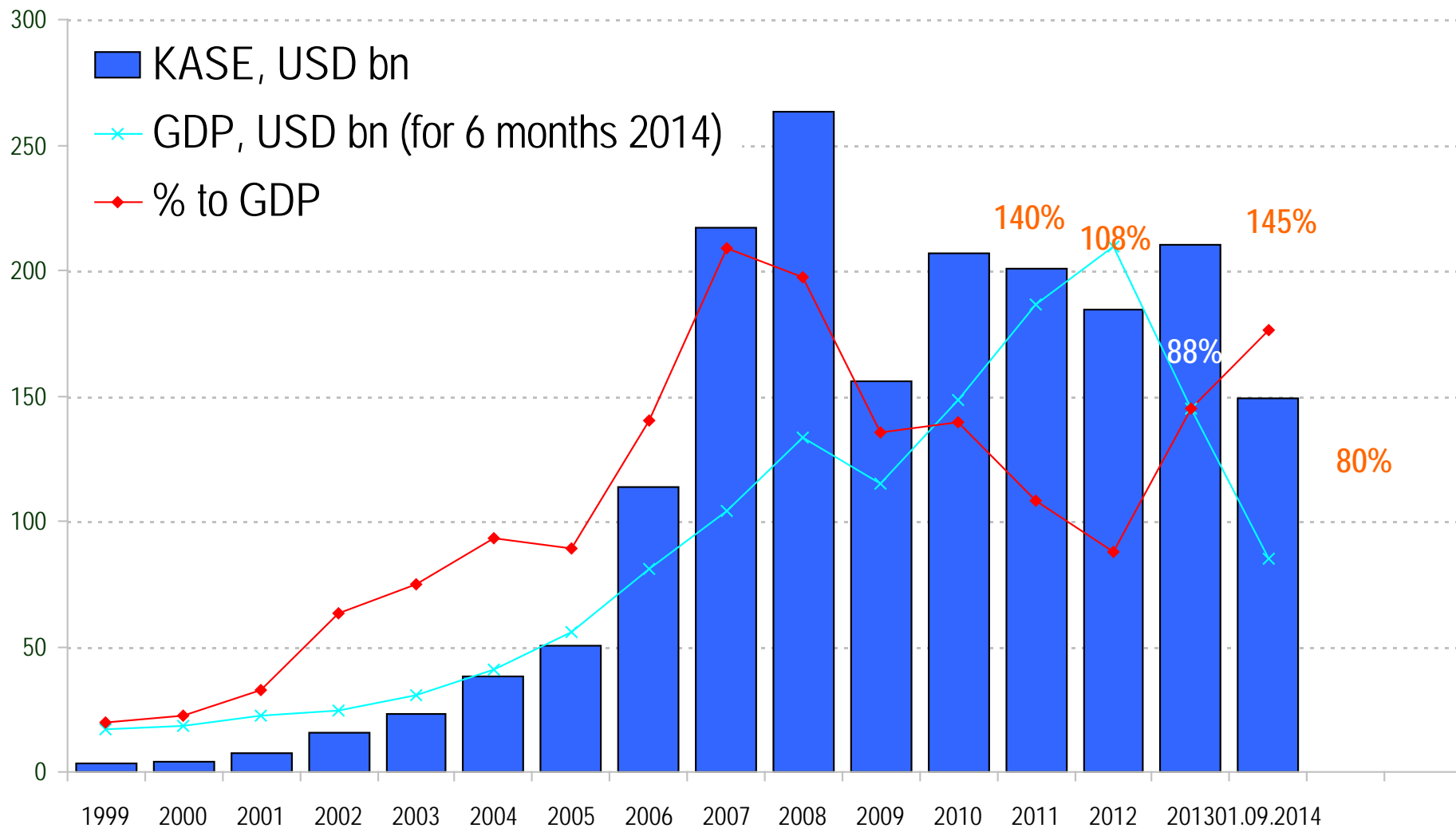
KASE Market Structure



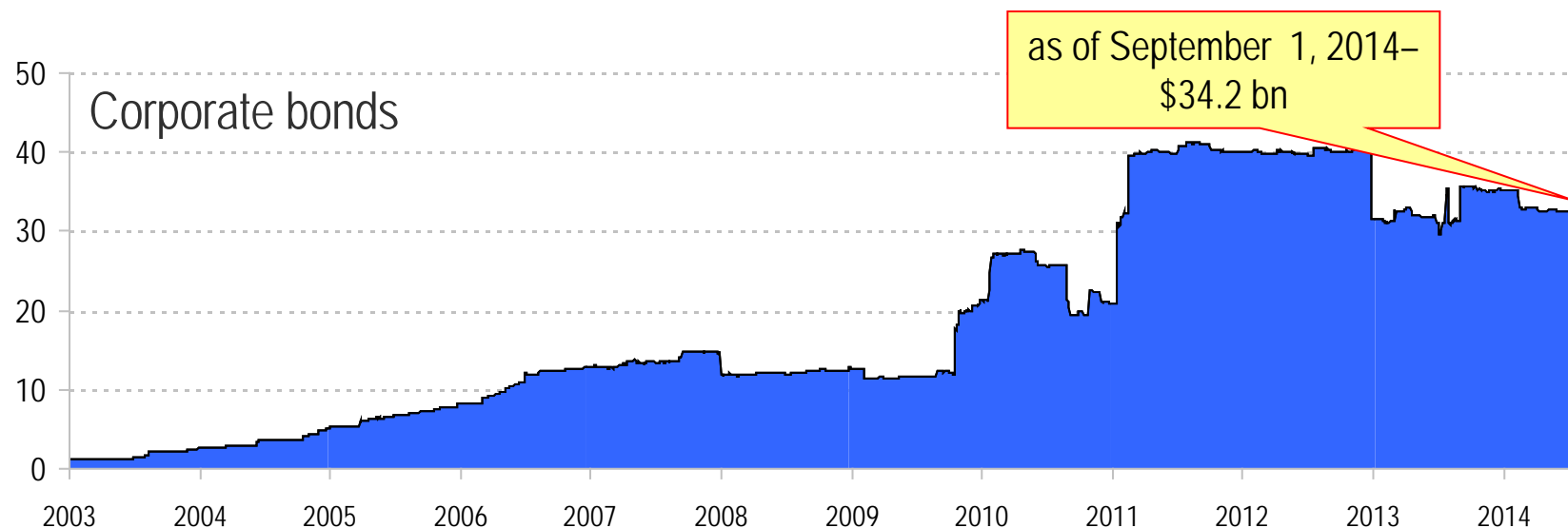
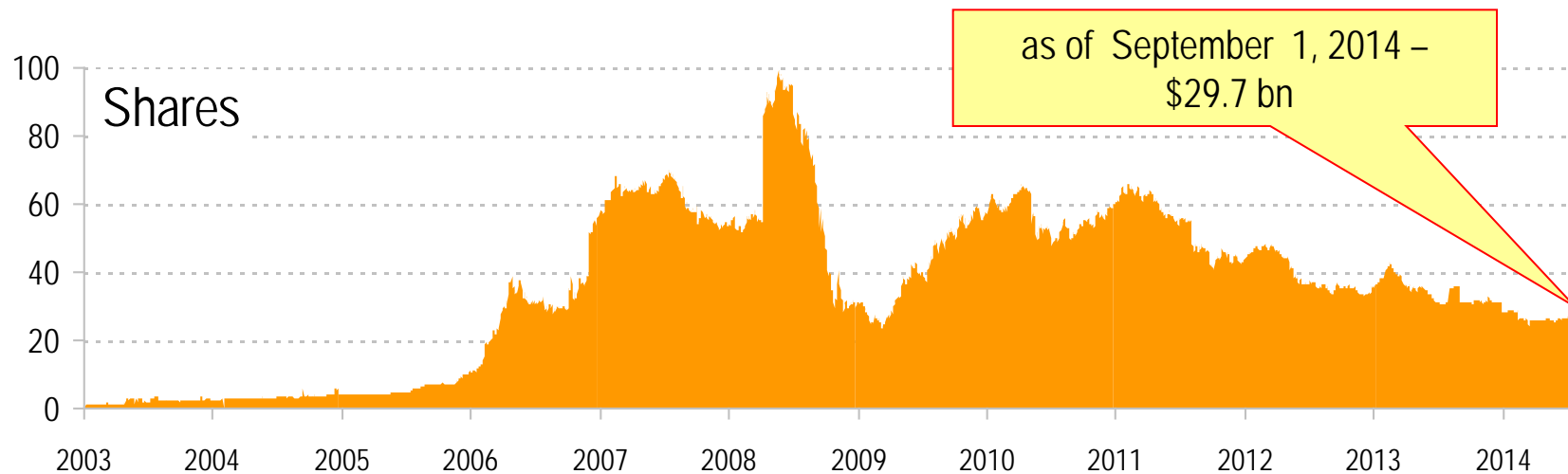
Value Traded



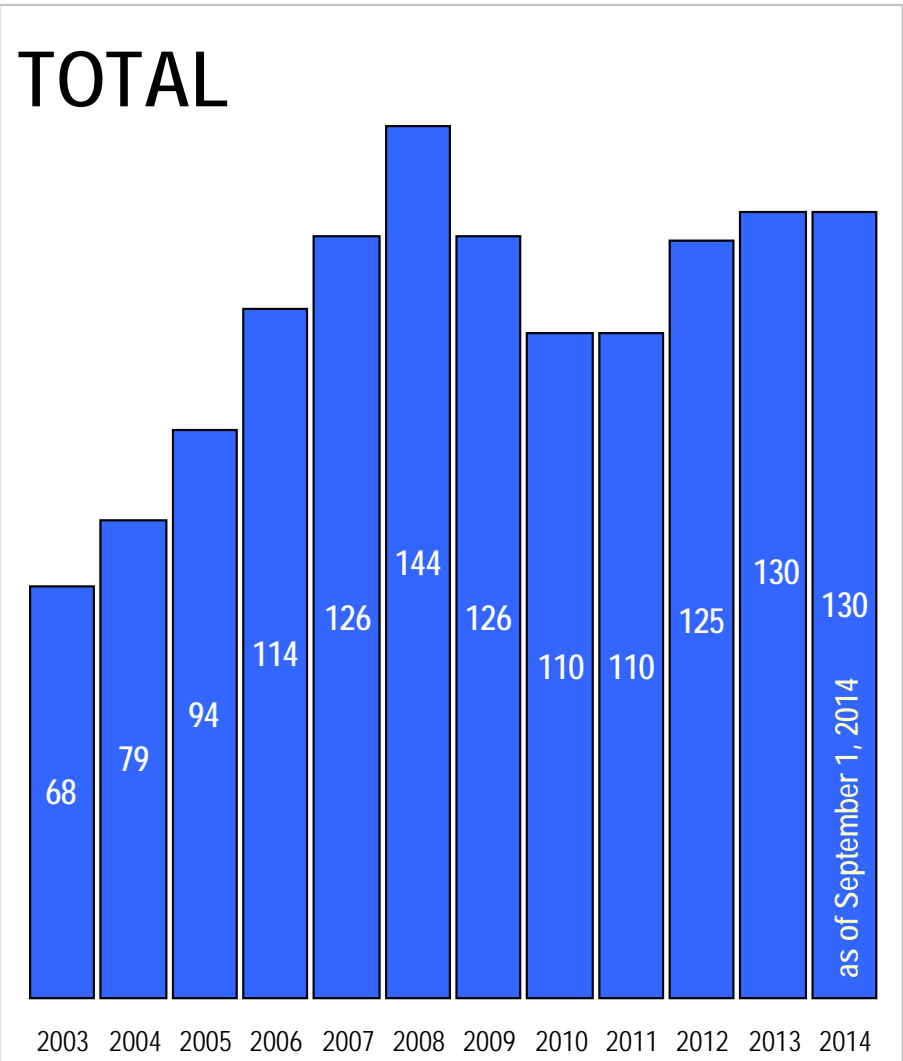
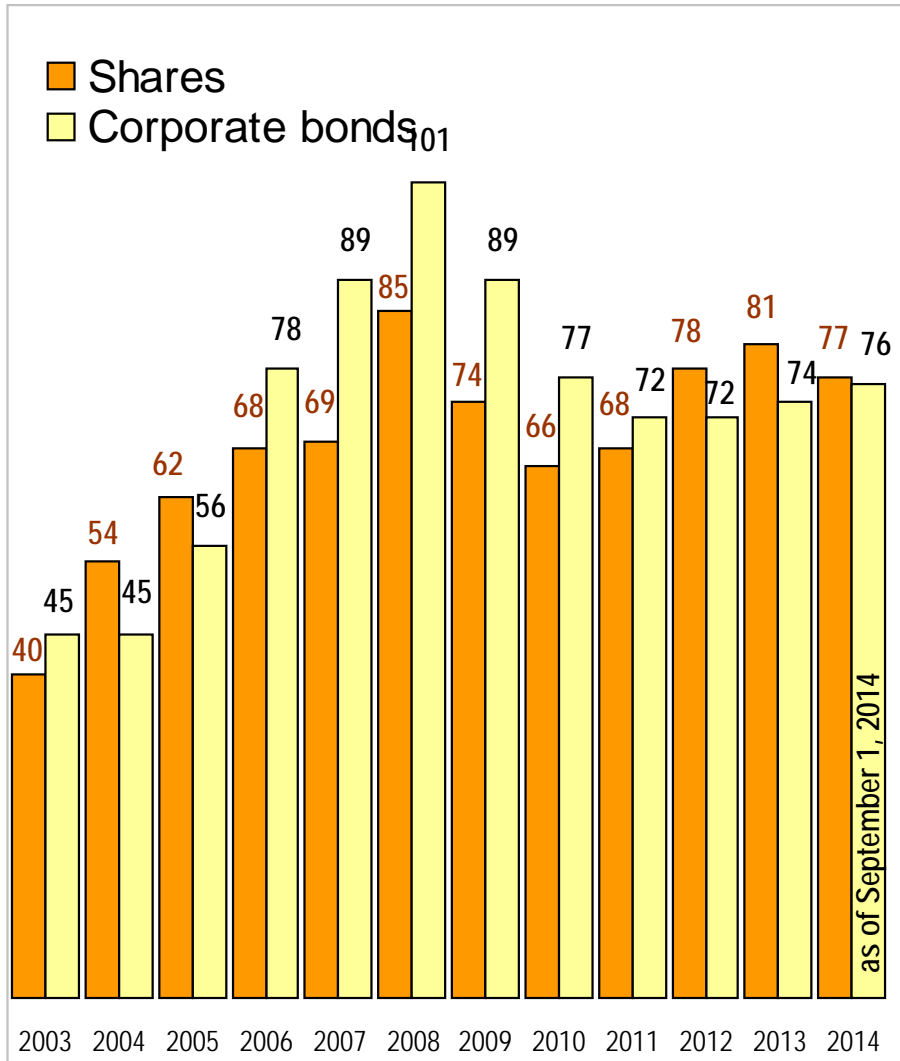
Value Traded and GDP



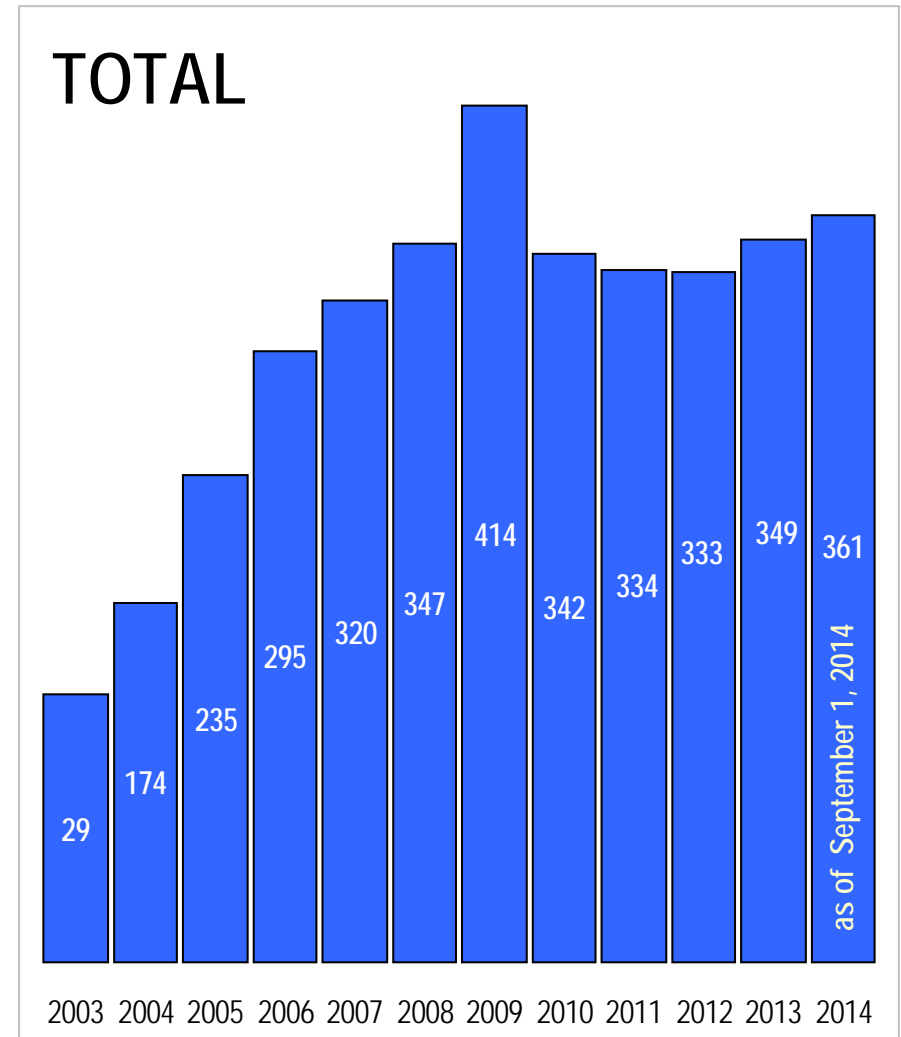
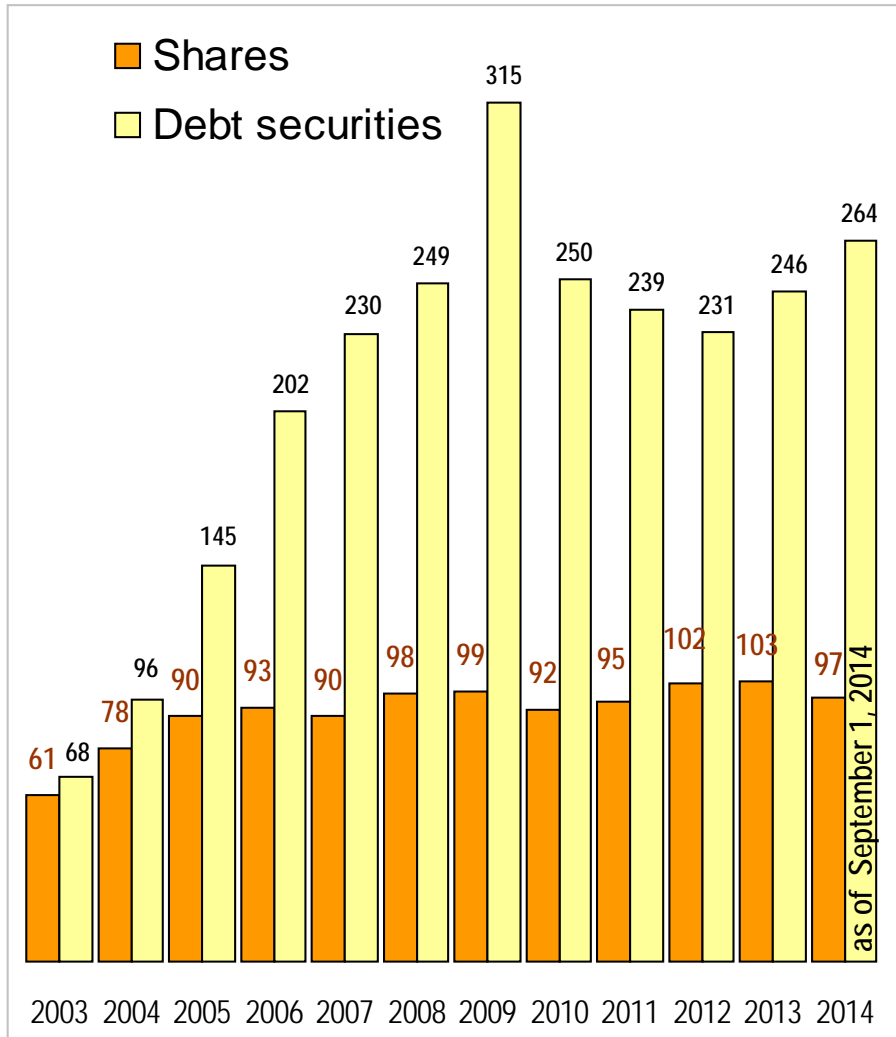
Market Capitalization



Listed Companies

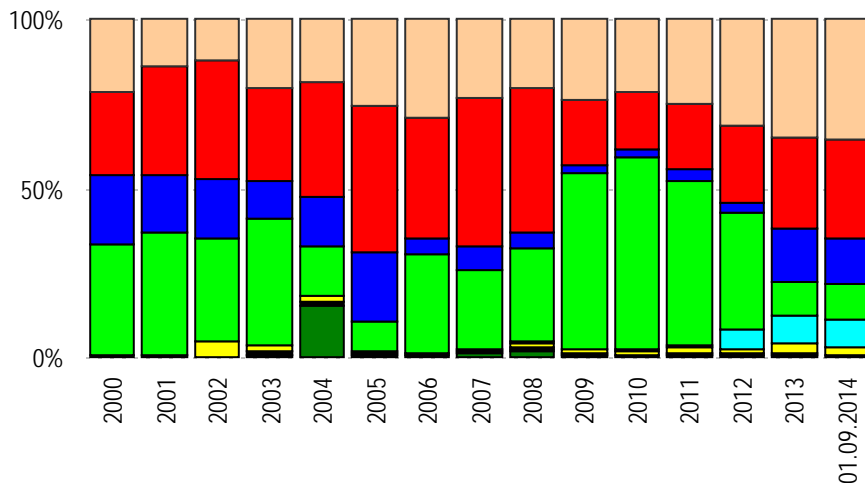


Securities

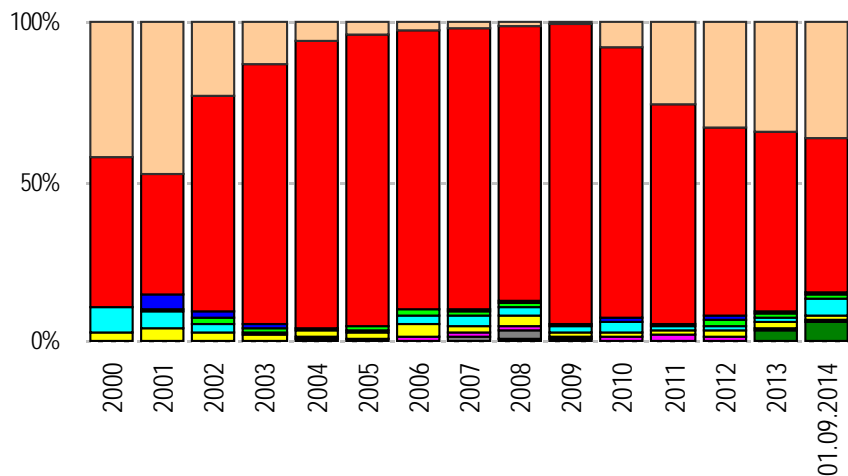


Industry Structure

Shares



Bonds

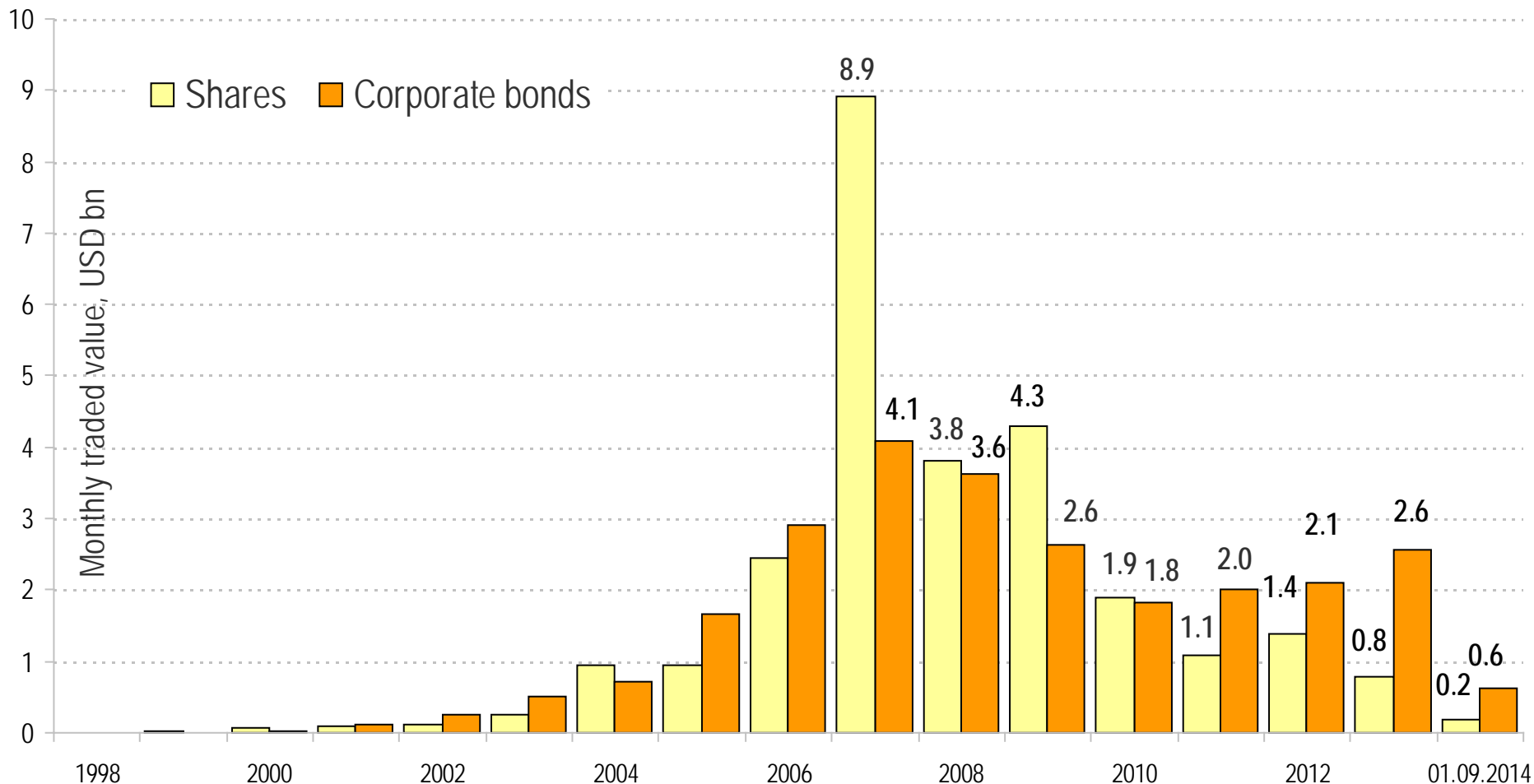


Share in capitalization, %

Shares Bonds

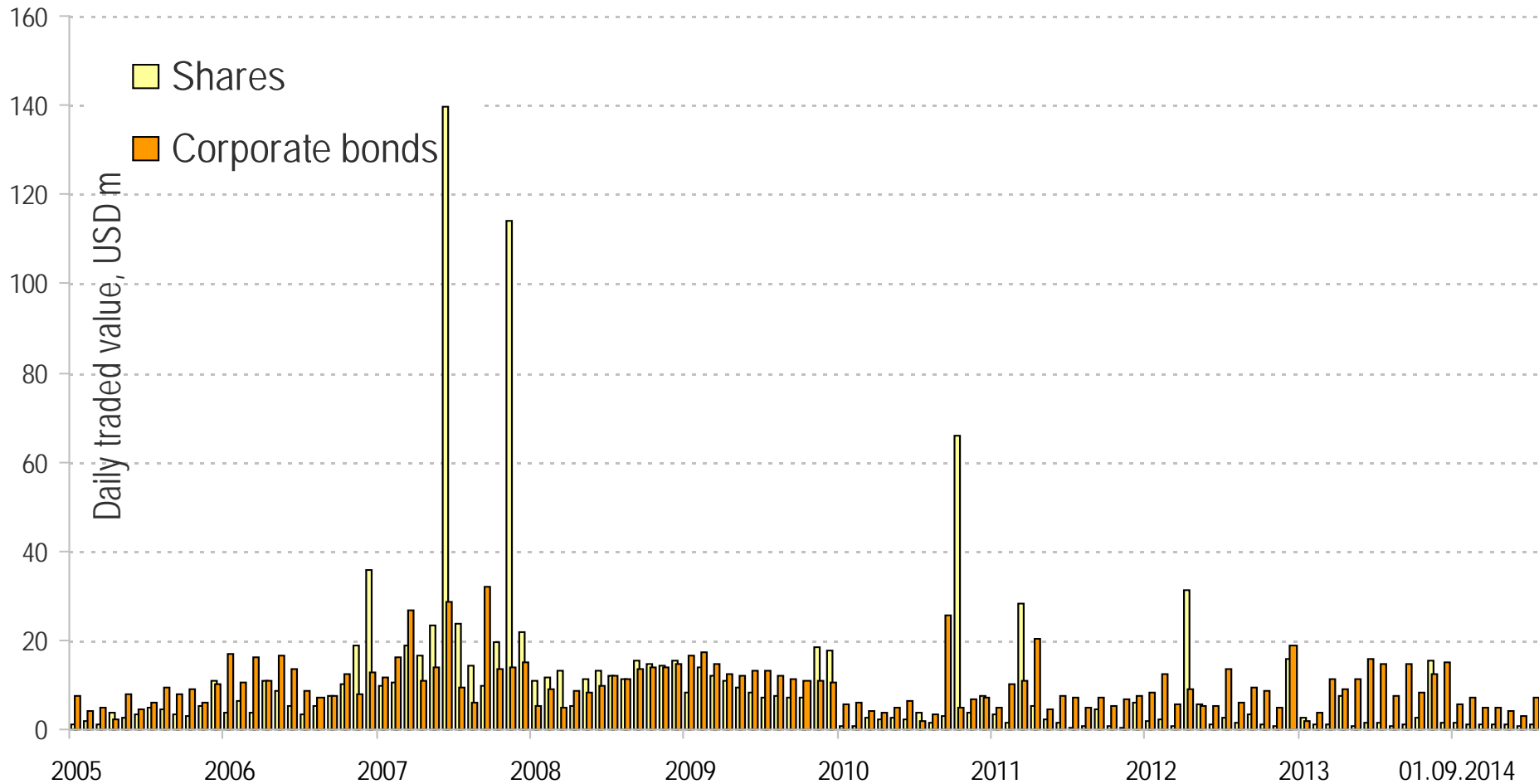
| | | |
|--|------|------|
| Energy | 35,6 | 36,3 |
| Financials | 29,3 | 48,7 |
| Provision of telecommunications services | 13,3 | 0,3 |
| Materials | 10,6 | 1,8 |
| Industrials | 8,3 | 4,8 |
| Consumer staples | 2,3 | 1,5 |
| Provision of municipal services | 0,1 | 1,0 |
| Information Technology | 0 | 0 |
| Health Care | 0,2 | 0,0 |
| Consumer Discretionary | 0,4 | 5,7 |

Liquidity Parameters



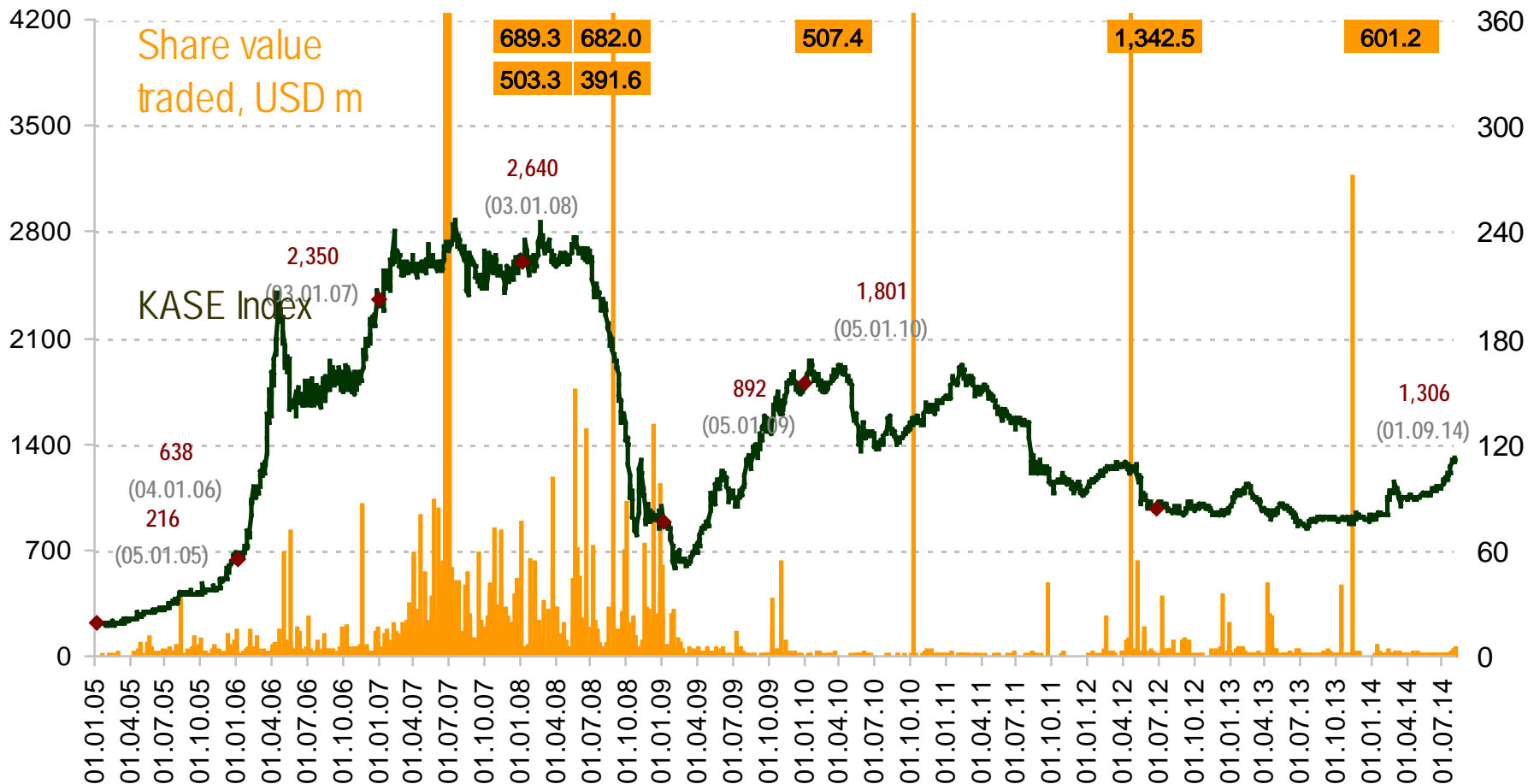
KASE total traded value for 8 months 2014: in shares – **\$176 m**,
in corporate bonds – **\$634 m**

Liquidity Parameters



KASE average **daily** traded value for 8 months 2014: in shares – **\$1.2 m**,
in corporate bonds – **\$4.8 m**

KASE Index



KASE uses its own trading platform:

- ✓ "Server – Client" electronic trading system
- ✓ remote access
- ✓ electronic signature and electronic document circulation
- ✓ traffic encryption
- ✓ on-line data preservation

Contact Information



Internet: www.kase.kz

E-mail: kase@kase.kz

Reception: +7 (727) 237 53 00

Information
and Analysis

Department: +7 (727) 237 53 18, 237 53 23

Fax: +7 (727) 296 64 02

Address: 8th floor, Northern tower of Multifunctional Complex Almaty
Towers, 280 Baizakov Street, 050040, Almaty, Kazakhstan