

29 June 2012

**Press-release
in relation to buy-back of preferred shares
from Samruk-Kazyna**

Joint Stock Company “Halyk Savings Bank of Kazakhstan” (“**Halyk Bank**”) (LSE: HSBK) hereby informs about early buy-back of its 150,000,000 preferred shares from Joint Stock Company “Sovereign Wealth Fund “Samruk-Kazyna” (“**Samruk-Kazyna**”) at a price of KZT 179.94 per share for the total amount of KZT 27 billion (the “**Buy-back**”) on 29 June 2012.

The Buy-back was executed in accordance with the terms and conditions of the Option Agreement (the “**Option**”) between Samruk-Kazyna and Joint Stock Company Holding Group Almex (“**Almex**”), the major shareholder of Halyk Bank. Earlier Halyk Bank purchased the Option from Almex for total consideration of KZT 7.1 billion. The Option grants the right to buy back up to 196,232,499 preferred shares of Halyk Bank from Samruk-Kazyna before 2014. These shares were acquired by Samruk-Kazyna in May 2009 for total consideration of KZT 33 billion as part of the Government’s anti-crisis program.

During the holding period Samruk-Kazyna received dividends on Halyk Bank’s preferred shares in the amount of KZT 7.7 billion. In addition, Samruk-Kazyna realized a gain of KZT 1.7 billion as a result of difference between purchase and sale price of the preferred shares.

After the Buy-back Samruk-Kazyna will continue owning 46,232,499 preferred shares of Halyk Bank. In accordance with the terms and conditions of the Option, Halyk Bank retains the right to buy back these preferred shares.

Mrs. Umut Shayakhmetova, Chairperson of the Management Board commented, “*During the challenging 2009, the Government and Samruk-Kazyna successfully implemented and realized anti-crisis measures to support Kazakhstan banks.*”

It was important for us to utilize these funds not only swiftly and efficiently but also to return them to the Government with the yield. This task was one of the priorities for Halyk Bank during the last three years.

All this time every tenge invested by the Government effectively worked to support and develop country’s economy, particularly for working capital financing and refinancing the Bank’s clients’ indebtedness in such strategically important sectors of the economy as food, chemical industry, metallurgy, machinery, energy, construction, health, agriculture and trade. The total amount of funds utilized within 2009 Government programs was KZT 152 billion.

We successfully completed the assigned task thanks to strong performance of our financial institution, including adequate capitalization levels and excess liquidity. Today Halyk Bank is the first and so far the only financial institution which returned most of the Government funds invested into the capital of Kazakhstan banks, and with profit to the state.

In March 2011, Halyk Bank made early repayment of the Government funds invested by Samruk-Kazyna into common shares of Halyk Bank, with the yield of 15.75% p.a. in accordance with the terms and conditions of buy-back.

And now we have approached next stage we return the Government funds. Our achievements allow us to buy back early the biggest part of our preferred shares from Samruk-Kazyna at a price yielding 9.5% p.a. for Samruk-Kazyna.

This is an important event for us, and it symbolizes transition to a new stage of Halyk Group's development. We are sincerely thankful to the Government and Samruk-Kazyna for the support provided and we hope that Halyk Bank will continue active participating to the new economic initiatives of the Government and Samruk-Kazyna."

In 2009, Samruk-Kazyna invested KZT 60 billion into the capital of Halyk Bank, including KZT 27 billion of common shares and KZT 33 billion of preferred shares. As a result of holding Halyk Bank's common and preferred shares, Samruk-Kazyna received realized income in the amount of KZT 15.3 billion.

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