

PRESS RELEASE

**JSC NC "KazMunayGas" (KMG) reports on the successful placement in the United States pursuant to Rule 144A and outside the United States pursuant to Regulation S of 5, 10 and 30-year Eurobond issuances with a total volume of US \$2.75 billion.**

On April 19, 2017, JSC National Company KazMunayGas (NC KMG) completed the placement of Eurobonds under the US \$10.5 billion Global Medium Term Notes Programme established by NC KMG and its finance subsidiary, KazMunaiGaz Finance Sub BV, in an aggregate principal amount of US \$ 2.75 billion. The Eurobonds were issued in three series, comprising (i) US \$500,000,000 3.875% Notes due 2022; (ii) US \$1,000,000,000 4.75% Notes due 2027; and (iii) US \$1,250,000,000 5.75% Notes due 2047.

The transaction was accompanied by significant demand from international investors, with orders exceeding US \$ 6.5 billion, which allowed NC KMG to reach the target volume of the issuance at attractive price levels. The issuance parameters set new yield benchmarks for NC KMG and other corporate issuers in Kazakhstan, namely, achieving annual yields of 3.95% for Eurobonds in a principal amount of US \$500,000,000 with a 5-year maturity, 4.875% for Eurobonds in a principal amount of US \$1,000,000,000 with a 10-year maturity and 5.875% for Eurobonds in a principal amount of US \$1,250,000,000 with a 30-year maturity.

Moreover, this transaction is the largest corporate issuance of Eurobonds from the CIS region since 2014. The Eurobonds have been assigned the following ratings: BBB- (Fitch) / BB (Standard & Poor's) / Baa3 (Moody's).

The Eurobonds are listed on the London Stock Exchange and the Kazakhstan Stock Exchange.

Citi, Deutsche Bank, UBS Investment Bank, Halyk Finance and SkyBridge Invest acted as joint lead managers and international bookrunners for the transaction. Dechert LLP and Dechert Kazakhstan Limited acted as legal advisors to NC KMG and Linklaters LLP, Linklaters CIS and Kinstellar LLP acted as legal advisors to the joint lead managers in connection with the transaction.