

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

<i>In thousands of tenge</i>	Note	June 30, 2018 (unaudited)	December 31, 2017 (audited) (restated)*
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	4,132,186,459	4,080,164,484
Exploration and evaluation assets		236,276,229	253,326,100
Investment property		27,167,174	27,423,225
Intangible assets		185,072,061	185,205,427
Long-term bank deposits	6	49,986,275	48,523,034
Investments in joint ventures and associates	7	4,180,811,061	3,823,629,586
Deferred income tax asset		92,347,492	98,680,503
VAT receivable		112,516,412	96,666,045
Advances for non-current assets		212,903,600	124,906,942
Loans and receivables due from related parties	9	604,047,580	672,448,689
Other financial assets		4,422,658	4,161,312
Other non-current assets		18,456,496	17,401,423
		<b>9,856,193,497</b>	<b>9,432,536,770</b>
<b>Current assets</b>			
Inventories		270,048,500	250,368,907
VAT receivable		51,301,302	69,605,981
Income tax prepaid		31,377,536	36,134,973
Trade accounts receivable	8	704,598,801	467,867,255
Short-term bank deposits	6	456,632,212	1,638,940,642
Loans and receivables due from related parties	9	179,773,254	169,501,500
Other current assets	8	179,576,806	196,110,129
Cash and cash equivalents	10	1,851,930,414	1,263,987,456
		<b>3,725,238,825</b>	<b>4,092,516,843</b>
Assets classified as held for sale		18,272,019	24,904,588
		<b>3,743,510,844</b>	<b>4,117,421,431</b>
<b>Total assets</b>		<b>13,599,704,341</b>	<b>13,549,958,201</b>

*The accounting policies and explanatory notes on pages 8 through 38 form an integral part of these interim condensed consolidated financial statements (unaudited).*

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

<i>In thousands of tenge</i>	Note	June 30, 2018 (unaudited)	December 31, 2017 (audited) (restated)*
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	11	916,540,545	709,344,505
Additional paid-in capital	11	40,659,141	243,876,410
Other equity		83,185	83,185
Currency translation reserve		1,357,178,413	1,295,091,189
Retained earnings		3,970,124,111	3,665,191,668
<b>Attributable to equity holders of the Parent Company</b>		<b>6,284,585,395</b>	<b>5,913,586,957</b>
Non-controlling interest	11	162,297,771	870,017,901
<b>Total equity</b>		<b>6,446,883,166</b>	<b>6,783,604,858</b>
<b>Non-current liabilities</b>			
Borrowings	12	3,606,783,918	3,417,111,859
Provisions		208,431,003	203,774,487
Deferred income tax liabilities		411,455,537	380,738,225
Financial guarantee		11,063,374	10,767,166
Prepayment on oil supply agreements	13	596,890,001	581,577,501
Other non-current liabilities		45,713,246	46,426,823
		<b>4,880,337,079</b>	<b>4,640,396,061</b>
<b>Current liabilities</b>			
Borrowings	12	920,903,520	884,140,278
Provisions		80,387,886	78,812,199
Income tax payable		14,936,357	10,081,239
Trade accounts payable	14	631,041,389	513,851,048
Other taxes payable		105,591,723	101,198,347
Financial guarantee		2,624,991	1,170,697
Prepayment on oil supply agreements	13	341,080,000	332,330,000
Other current liabilities	14	174,285,919	202,444,812
		<b>2,270,851,785</b>	<b>2,124,028,620</b>
Liabilities directly associated with the assets classified as held for sale		1,632,311	1,928,662
<b>Total liabilities</b>		<b>7,152,821,175</b>	<b>6,766,353,343</b>
<b>Total equity and liabilities</b>		<b>13,599,704,341</b>	<b>13,549,958,201</b>
<b>Book value per ordinary share</b>	11	<b>10.263</b>	<b>11.195</b>

\* Certain numbers shown here do not correspond to the consolidated financial statements for the year ended December 31, 2017 and reflect adjustments made, refer to Note 4.

Deputy Chairman of the Management Board – Chief Financial Officer

Chief accountant



The accounting policies and explanatory notes on pages 8 through 38 form an integral part of these interim condensed consolidated financial statements (unaudited).

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>In thousands of tenge</i>	Note	For the three months ended June 30,		For the six months ended June 30,	
		2018 (unaudited)	2017* (unaudited) (restated)	2018 (unaudited)	2017* (unaudited) (restated)
Revenue	15	1,891,909,135	1,006,649,474	3,356,260,350	2,070,922,065
Cost of sales	16	(1,488,119,894)	(746,883,372)	(2,614,524,979)	(1,573,867,210)
<b>Gross profit</b>		<b>403,789,241</b>	<b>259,766,102</b>	<b>741,735,371</b>	<b>497,054,855</b>
General and administrative expenses	17	(65,133,403)	(21,598,902)	(109,023,225)	(53,986,888)
Transportation and selling expenses	18	(155,841,708)	(83,716,048)	(303,924,152)	(193,029,949)
Impairment of property, plant and equipment, exploration and evaluation assets and intangible assets, other than goodwill		(39,312,851)	(2,829,810)	(39,700,583)	(3,398,638)
Loss on disposal of property, plant and equipment, intangible assets and investment property, net		1,234,556	(677,037)	(1,463,030)	(1,020,522)
Other operating income		75,270	4,738,452	10,274,491	7,956,019
Other operating expenses		(1,723,600)	(10,550,991)	(9,003,902)	(14,196,543)
<b>Operating profit</b>		<b>143,087,505</b>	<b>145,131,766</b>	<b>288,894,970</b>	<b>239,378,334</b>
Net foreign exchange gain		22,996,455	44,591,397	1,664,862	18,719,818
Finance income	19	81,045,153	29,533,808	111,354,338	56,993,837
Finance costs	19	(197,226,229)	(81,136,093)	(277,525,987)	(143,369,513)
Reversal of impairment of investments in joint ventures		–	–	–	14,686,162
Net income/(loss) on disposal/acquisition on subsidiary		3,249,302	(3,249,292)	3,249,302	(3,249,292)
Share in profit of joint ventures and associates, net	20	172,624,498	93,545,359	337,319,011	179,681,671
<b>Profit before income tax</b>		<b>225,776,684</b>	<b>228,416,945</b>	<b>464,956,496</b>	<b>362,841,017</b>
Income tax expense	21	(67,792,769)	(57,461,752)	(108,811,857)	(89,836,483)
<b>Profit for the period from continuing operations</b>		<b>157,983,915</b>	<b>170,955,193</b>	<b>356,144,639</b>	<b>273,004,534</b>
<b>Discontinued operations</b>					
(Loss)/profit after income tax for the period from discontinued operations		(2,488,170)	(1,383,174)	3,562,054	(714,664)
<b>Net profit for the period</b>		<b>155,495,745</b>	<b>169,572,019</b>	<b>359,706,693</b>	<b>272,289,870</b>
<b>Net profit for the period attributable to:</b>					
Equity holders of the Parent Company		147,565,158	138,665,447	348,548,888	240,722,108
Non-controlling interests		7,930,587	30,906,572	11,157,805	31,567,762
		<b>155,495,745</b>	<b>169,572,019</b>	<b>359,706,693</b>	<b>272,289,870</b>

*The accounting policies and explanatory notes on pages 8 through 38 form an integral part of these interim condensed consolidated financial statements (unaudited).*

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)**

<i>In thousands of tenge</i>	Note	For the three months ended June 30,		For the six months ended June 30,	
		2018 (unaudited)	2017* (unaudited) (restated)	2018 (unaudited)	2017* (unaudited) (restated)
<b>Other comprehensive income</b>					
<i>Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of foreign operations		169,093,759	17,042,662	64,072,841	(114,243,111)
Accumulated differences on translation of disposal group		(475,673)	(423,776)	(475,673)	(423,776)
<b>Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods</b>		<b>168,618,086</b>	<b>16,618,886</b>	<b>63,597,168</b>	<b>(114,666,887)</b>
<i>Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain/(loss) on defined benefit plans of the Group		22,422	(37,718)	22,422	(37,718)
Actuarial (loss)/gain on defined benefit plans of joint ventures		(15,165)	(20,295)	133,712	(170,534)
Write-off of deferred tax assets		–	(150,746)	–	(150,746)
<b>Other comprehensive gain/(loss) not to be reclassified to profit or loss in subsequent periods</b>		<b>7,257</b>	<b>(208,759)</b>	<b>156,134</b>	<b>(358,998)</b>
<b>Other comprehensive income/(loss) for the period</b>		<b>168,625,343</b>	<b>16,410,127</b>	<b>63,753,302</b>	<b>(115,025,885)</b>
<b>Total comprehensive income for the period, net of tax</b>		<b>324,121,088</b>	<b>185,982,146</b>	<b>423,459,995</b>	<b>157,263,985</b>
<b>Total comprehensive income for the period attributable to:</b>					
Equity holders of the Parent Company		311,730,092	148,309,054	410,792,132	132,644,218
Non-controlling interests		12,390,996	37,673,092	12,667,863	24,619,767
		<b>324,121,088</b>	<b>185,982,146</b>	<b>423,459,995</b>	<b>157,263,985</b>

\* Certain numbers shown here do not correspond to the consolidated financial statements for the period ended June 30, 2017 and reflect adjustments made, refer to Note 4.

Deputy Chairman of the Management Board – Chief Financial Officer



Karabayev

Chief accountant

Y. Orynbayev

The accounting policies and explanatory notes on pages 8 through 38 form an integral part of these interim condensed consolidated financial statements (unaudited).

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

<i>In thousands of tenge</i>	For the six months ended June 30,	
	2018 (unaudited)	2017 (unaudited)
<b>Cash flows from operating activities</b>		
Receipts from customers	3,473,026,960	2,473,159,114
Payments to suppliers	(2,337,958,295)	(1,646,611,125)
Other taxes and payments	(568,623,959)	(384,880,262)
Income taxes paid	(61,530,812)	(48,044,202)
Interest received	72,028,261	44,898,915
Interest paid	(110,698,700)	(95,941,476)
Payments to employees	(187,231,622)	(170,949,138)
Taxes received from Tax authorities	9,782,183	47,321,875
Other payments, net	(74,623,791)	(26,304,900)
<b>Net cash flows from operating activities</b>	<b>214,170,225</b>	<b>192,648,801</b>
<b>Cash flows from investing activities</b>		
Withdrawal/(placement) of bank deposits, net	1,170,308,562	(711,377,929)
Purchase of property, plant and equipment, intangible assets, investment property and exploration and evaluation assets, including advances paid	(221,198,143)	(168,647,760)
Proceeds from sale of property, plant and equipment, intangible assets, investment property and exploration and evaluation assets	3,296,130	505,754
Proceeds from disposal of subsidiaries	3,494,379	180,678
Dividends received from joint ventures and associates (Note 7)	78,726,435	61,654,826
Disposal/(acquisition) of joint ventures and associates	1,999,889	(2,625)
Refund of contribution to joint ventures	–	489,960
Repayment of loans due from related parties	14,159,220	440,842
Repayment of debt securities	93,951	–
Loans given to related parties	(35,451,457)	(24,733,948)
<b>Net cash flows from / (used in) investing activities</b>	<b>1,015,428,966</b>	<b>(841,490,202)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	1,316,683,298	930,211,668
Repayment of borrowings	(1,331,016,313)	(221,282,206)
Dividends paid to Samruk-Kazyna and National Bank of RK	(36,273,040)	–
Dividends paid to non-controlling interests	(6,272,386)	(5,997,716)
Share buyback by subsidiary	(628,003,279)	–
Issue of shares	7	1
<b>Net cash flows (used in) / from financing activities</b>	<b>(684,881,713)</b>	<b>702,931,747</b>
Effects of exchange rate changes on cash and cash equivalents	43,165,853	568,919
Change in the impairment of provision	(33,945)	–
<b>Net change in cash and cash equivalents</b>	<b>587,849,386</b>	<b>54,659,265</b>
Cash and cash equivalents, at the beginning of the period	1,266,604,815	905,452,511
<b>Cash and cash equivalents, at the end of the period</b>	<b>1,854,454,201</b>	<b>960,111,776</b>

Deputy Chairman of the Management Board – Chief Financial Officer

S. Karabayev

Chief accountant

Y. Orynbayev



*The accounting policies and explanatory notes on pages 8 through 38 form an integral part of these interim condensed consolidated financial statements (unaudited).*

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

<i>In thousands of tenge</i>	Attributable to equity holders of the Parent Company					Total	Non-controlling interest	Total
	Share capital	Additional paid-in capital	Other equity	Currency translation reserve	Retained earnings			
<b>As at December 31, 2016 (audited) (restated) (Note 4)</b>	696,376,625	243,655,405	222,074	1,370,264,462	3,322,319,176	5,632,837,742	801,560,097	6,434,397,839
Net profit for the period (unaudited) (restated) (Note 4)	–	–	–	–	240,722,108	240,722,108	31,567,762	272,289,870
Other comprehensive loss (unaudited)	–	–	–	(107,734,069)	(343,821)	(108,077,890)	(6,947,995)	(115,025,885)
<b>Total comprehensive (loss)/income for the period</b>	–	–	–	(107,734,069)	240,378,287	132,644,218	24,619,767	157,263,985
Issue of share capital	12,967,880	(1,772,245)	–	–	–	11,195,635	–	11,195,635
Dividends	–	–	–	–	(45,877,366)	(45,877,366)	(13,269,562)	(59,146,928)
Distributions to Samruk-Kazyna	–	–	–	–	(1,560,252)	(1,560,252)	–	(1,560,252)
Forfeiture of share-based payments	–	–	(7,988)	–	–	(7,988)	(4,690)	(12,678)
Transactions with Samruk-Kazyna	–	–	–	–	(3,387,228)	(3,387,228)	–	(3,387,228)
Execution of share-based payments	–	–	(98,891)	–	–	(98,891)	98,891	–
<b>As at June 30, 2017 (unaudited)</b>	709,344,505	241,883,160	115,195	1,262,530,393	3,511,872,617	5,725,745,870	813,004,503	6,538,750,373

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**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)**

<i>In thousands of tenge</i>	Attributable to equity holders of the Parent Company					Total	Non-controlling interest	Total
	Share capital	Additional paid-in capital	Other equity	Currency translation reserve	Retained earnings			
<b>As at December 31, 2017 (audited) (restated) (Note 4)</b>	709,344,505	243,876,410	83,185	1,295,091,189	3,665,191,668	5,913,586,957	870,017,901	6,783,604,858
Changes in accounting policy (Note 2)	–	–	–	–	(12,391,462)	(12,391,462)	(6,195)	(12,397,657)
<b>As at January 1, 2018 (restated)</b>	709,344,505	243,876,410	83,185	1,295,091,189	3,652,800,206	5,901,195,495	870,011,706	6,771,207,201
Net profit for the period (unaudited)	–	–	–	–	348,548,888	348,548,888	11,157,805	359,706,693
Other comprehensive income (unaudited)	–	–	–	62,087,224	156,020	62,243,244	1,510,058	63,753,302
<b>Total comprehensive income for the period</b>	–	–	–	62,087,224	348,704,908	410,792,132	12,667,863	423,459,995
Contribution to share capital (Note 11)	207,196,040	(203,217,269)	–	–	–	3,978,771	–	3,978,771
Dividends (Note 11)	–	–	–	–	(36,271,669)	(36,271,669)	(6,200,598)	(42,472,267)
Distributions to the Samruk-Kazyna	–	–	–	–	(1,604,340)	(1,604,340)	–	(1,604,340)
Transactions with the Samruk-Kazyna (Note 11)	–	–	–	–	(79,682,916)	(79,682,916)	–	(79,682,916)
Share buyback by subsidiary (Note 11)	–	–	–	–	86,177,922	86,177,922	(714,181,200)	(628,003,278)
<b>As at June 30, 2018 (unaudited)</b>	916,540,545	40,659,141	83,185	1,357,178,413	3,970,124,111	6,284,585,395	162,297,771	6,446,883,166

Deputy Chairman of the Management Board – Chief Financial Officer


  

  
 Karabayev

Chief accountant


  
 Y.Y. Orynbayev

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