



KAZAKHSTAN STOCK EXCHANGE



February 1, 2015

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 **52** shareholders (as of February 1, 2015).

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 January 1, 2015

| | |
|-------------------------|--------------------------|
| own capital | KZT 5 292.1 m (\$29.2 m) |
| paid up charter capital | KZT 2 366.3 m (\$13.1 m) |
| authorized shares | 5 000 000 |
| outstanding shares | 942 013 |
| share balance value | KZT 5 617.84 (\$31.0) |

Indexes of profitability

| | Assets, USD m | Net profit, USD m | Return on assets, % | Return on equity, % |
|-------------|--------------------------|------------------------------|--------------------------------|--------------------------------|
| 2014 | 31.3 | 3.7 | 11.8 | 12.6 |
| 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 – 54 of which:

"Currency" category (with the right to participate in trades with foreign currencies) – 31;

"Stock" category (with the right to participate in trades with securities, admitted to circulation (trading) on KASE) – 49;

"Derivatives" category (with the right to participate in trades with derivatives) – 16.

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

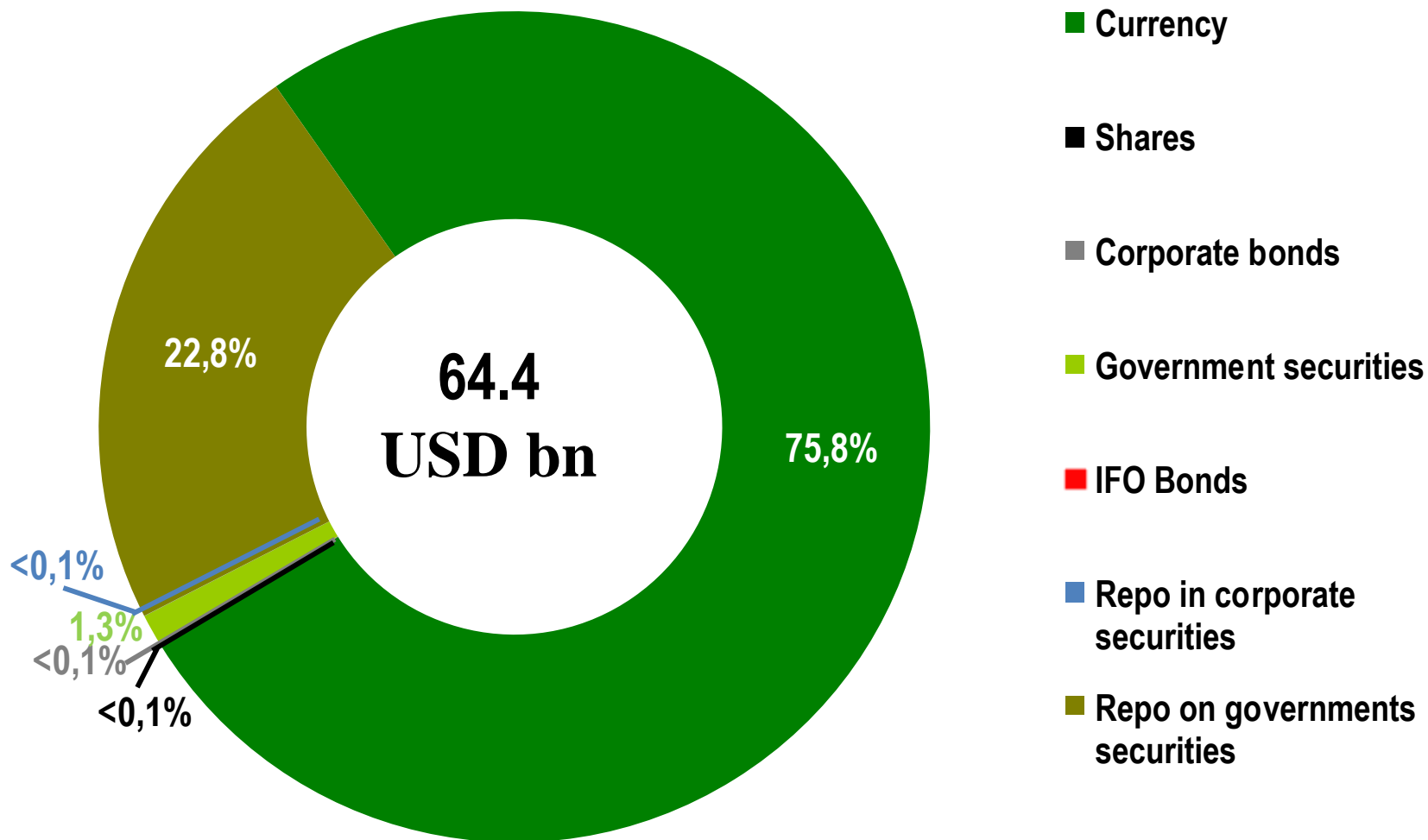
KASE – Universal Market



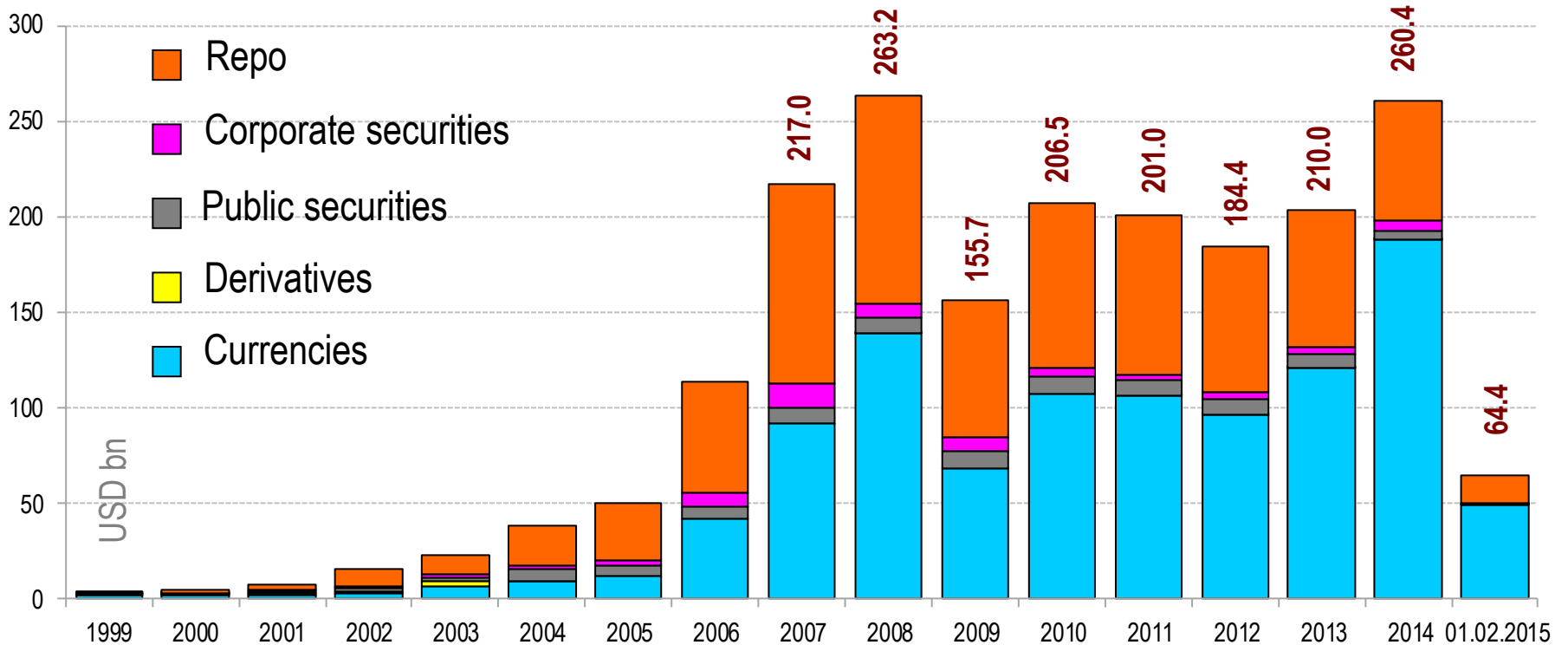
KASE serves a wide range of markets:

- ✓ "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

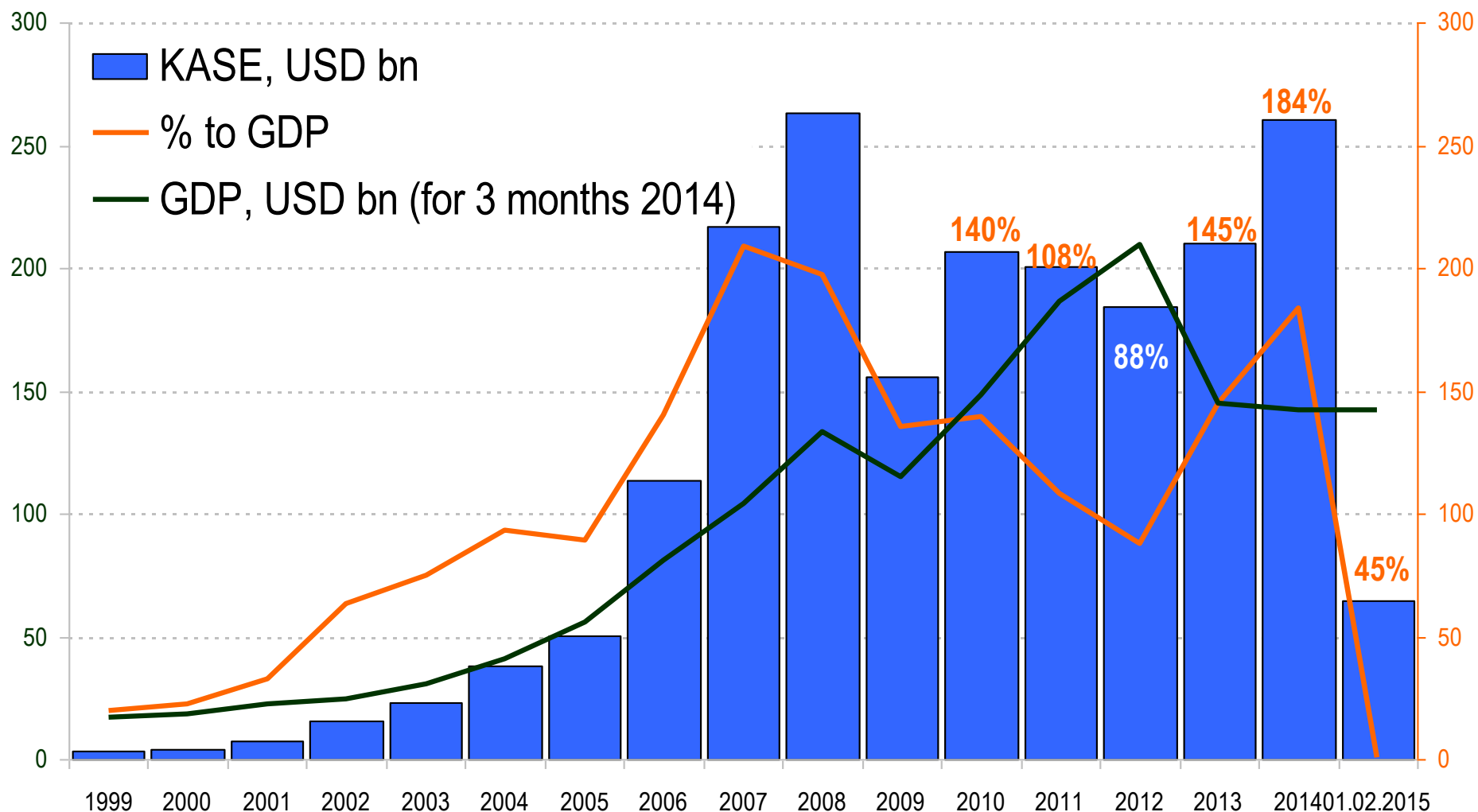
KASE Market Structure



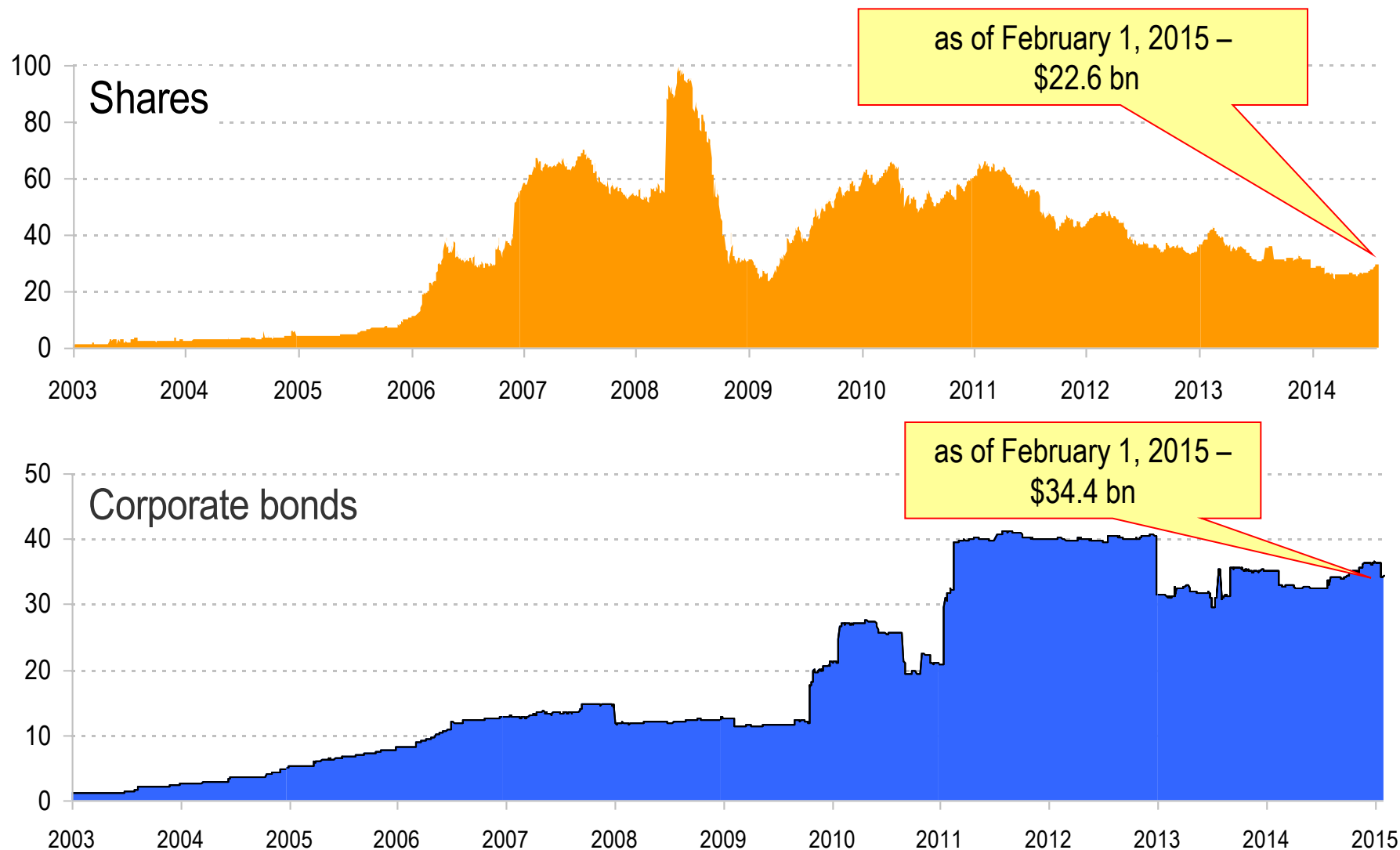
Value Traded



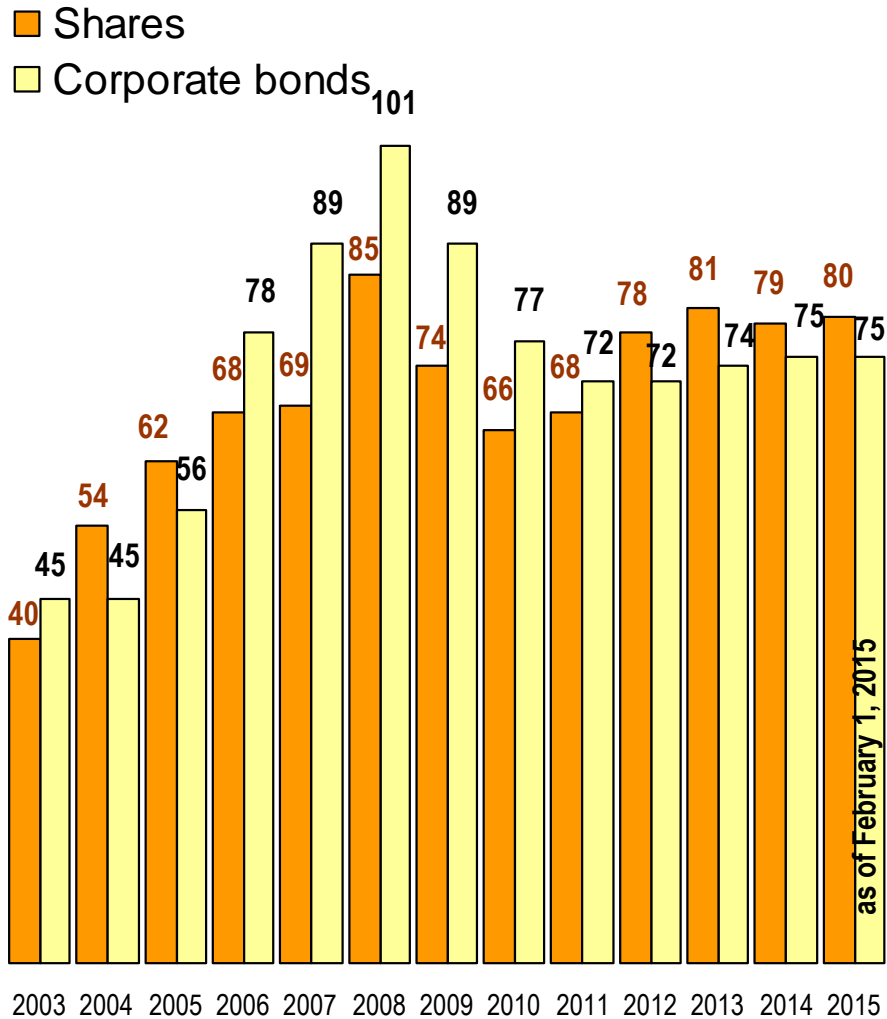
Value Traded and GDP



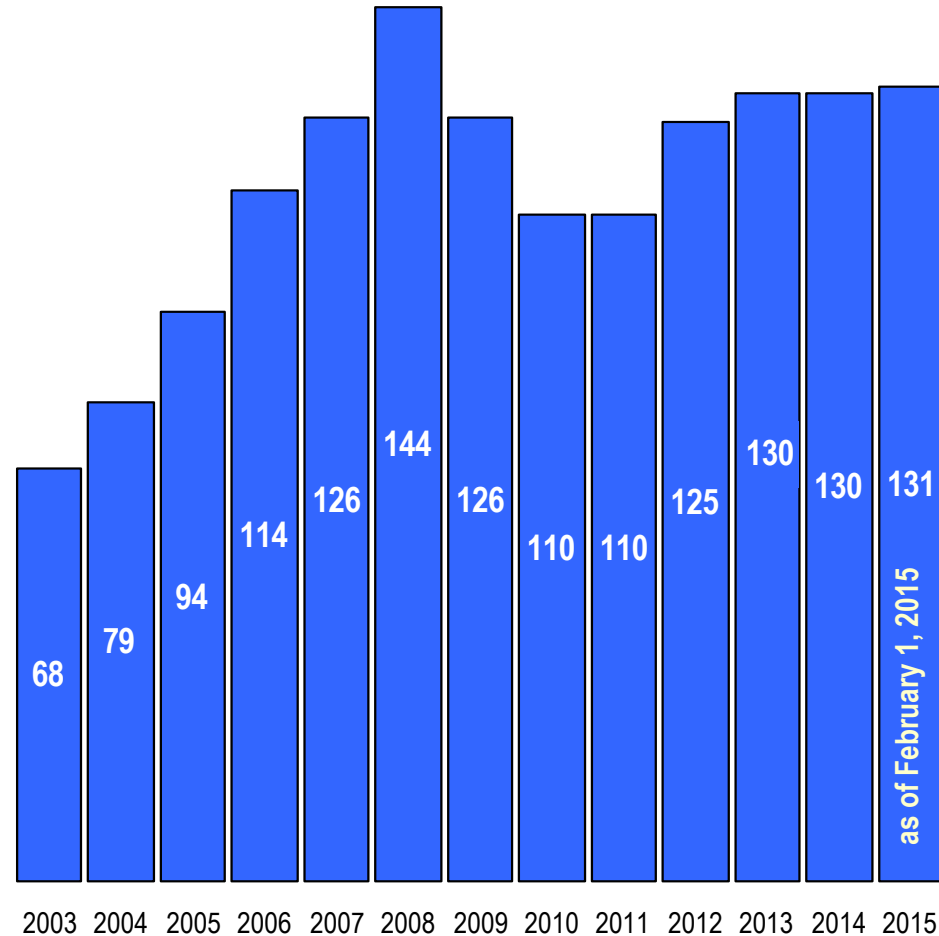
Market Capitalization



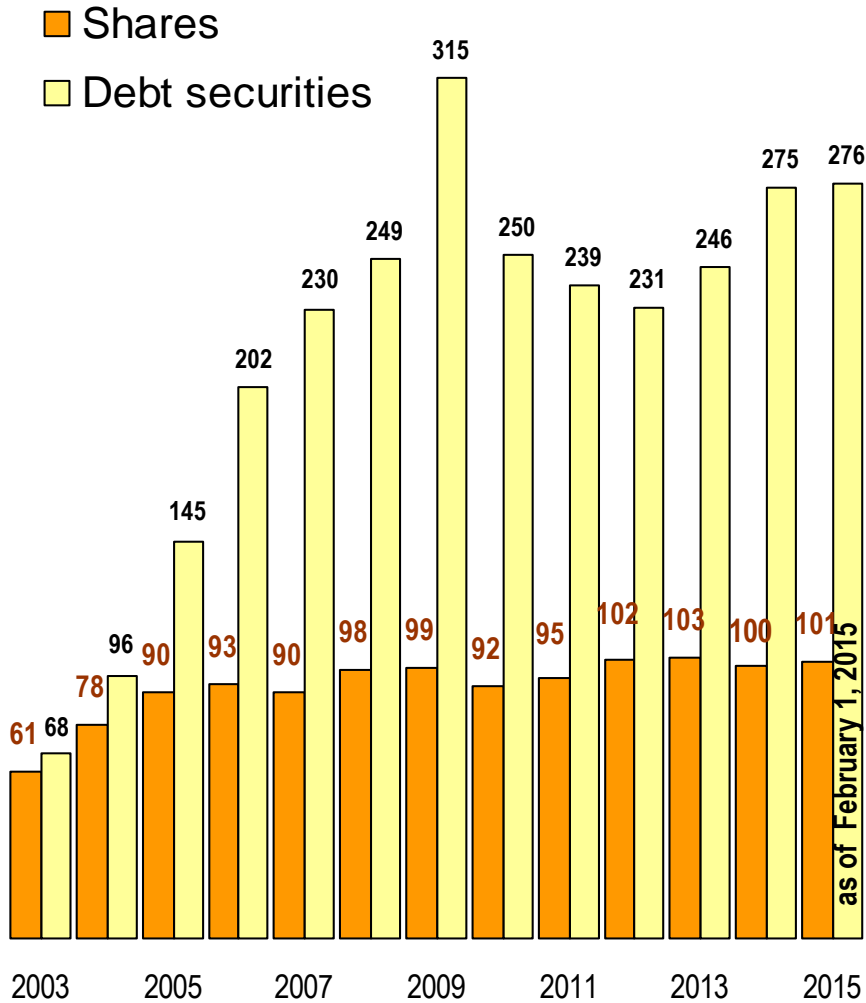
Listed Companies



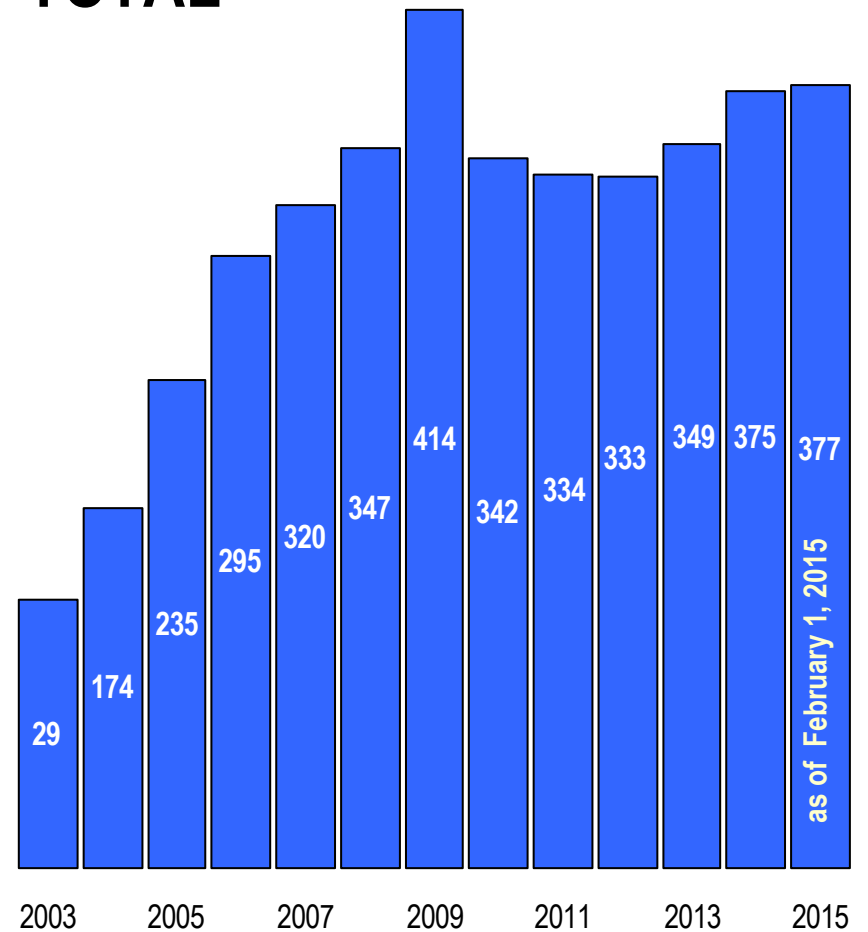
TOTAL



Securities

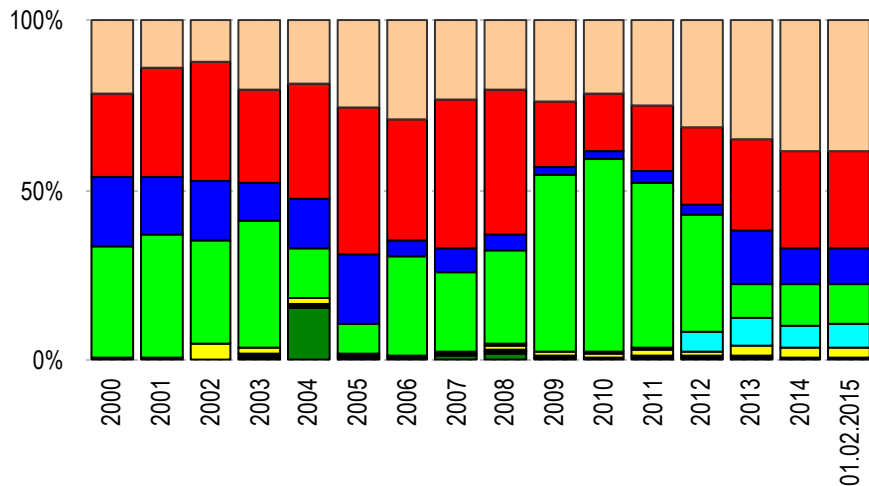


TOTAL

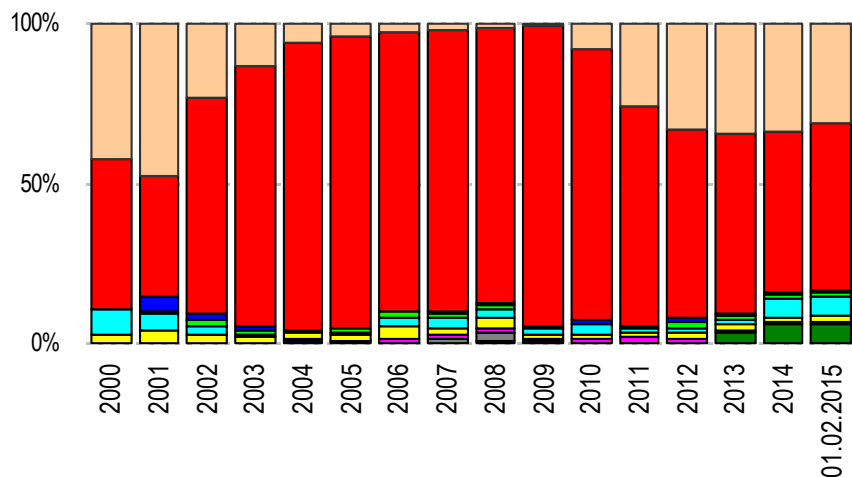


Industry Structure

Shares



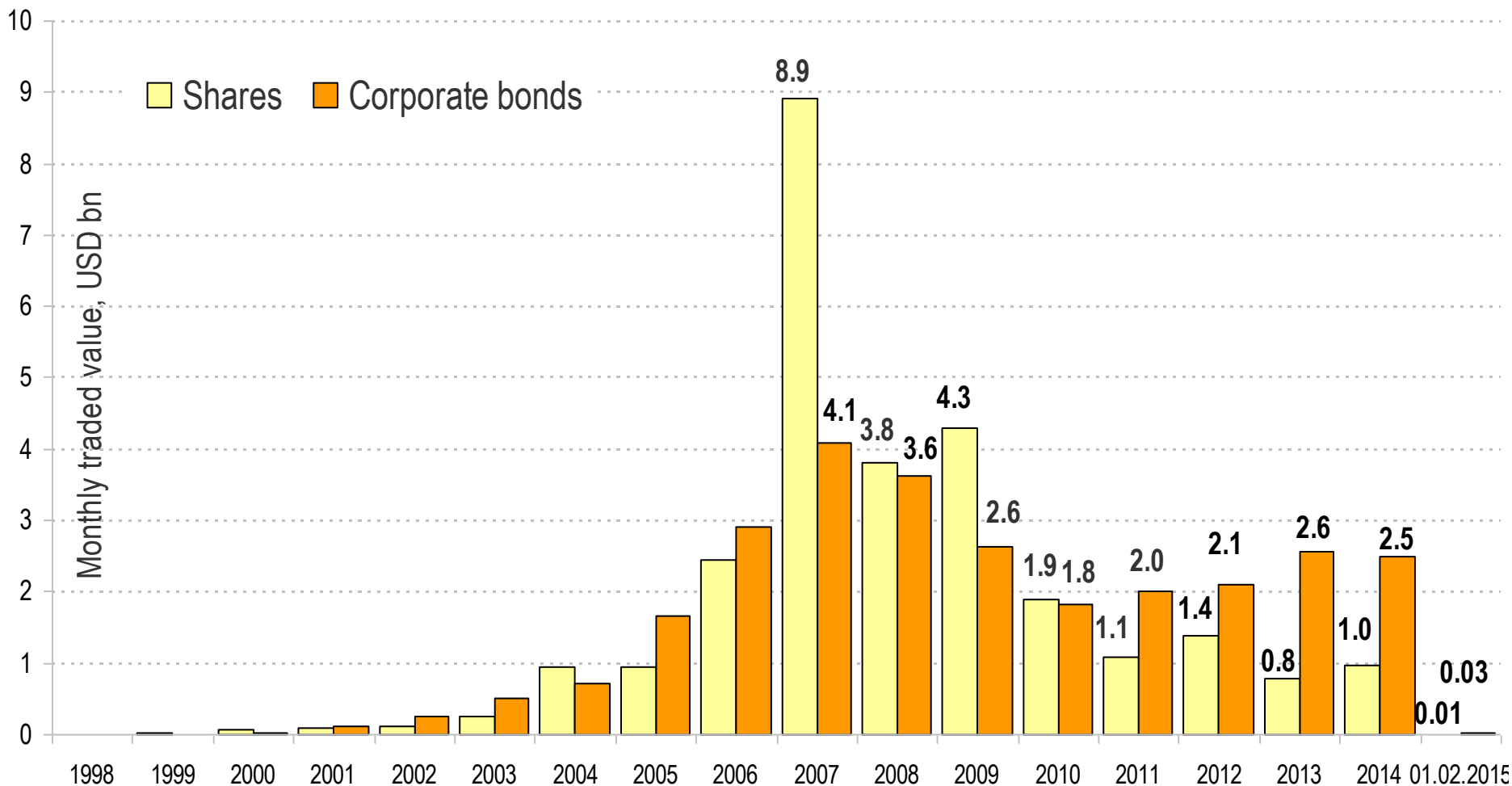
Bonds



Share in capitalization, %

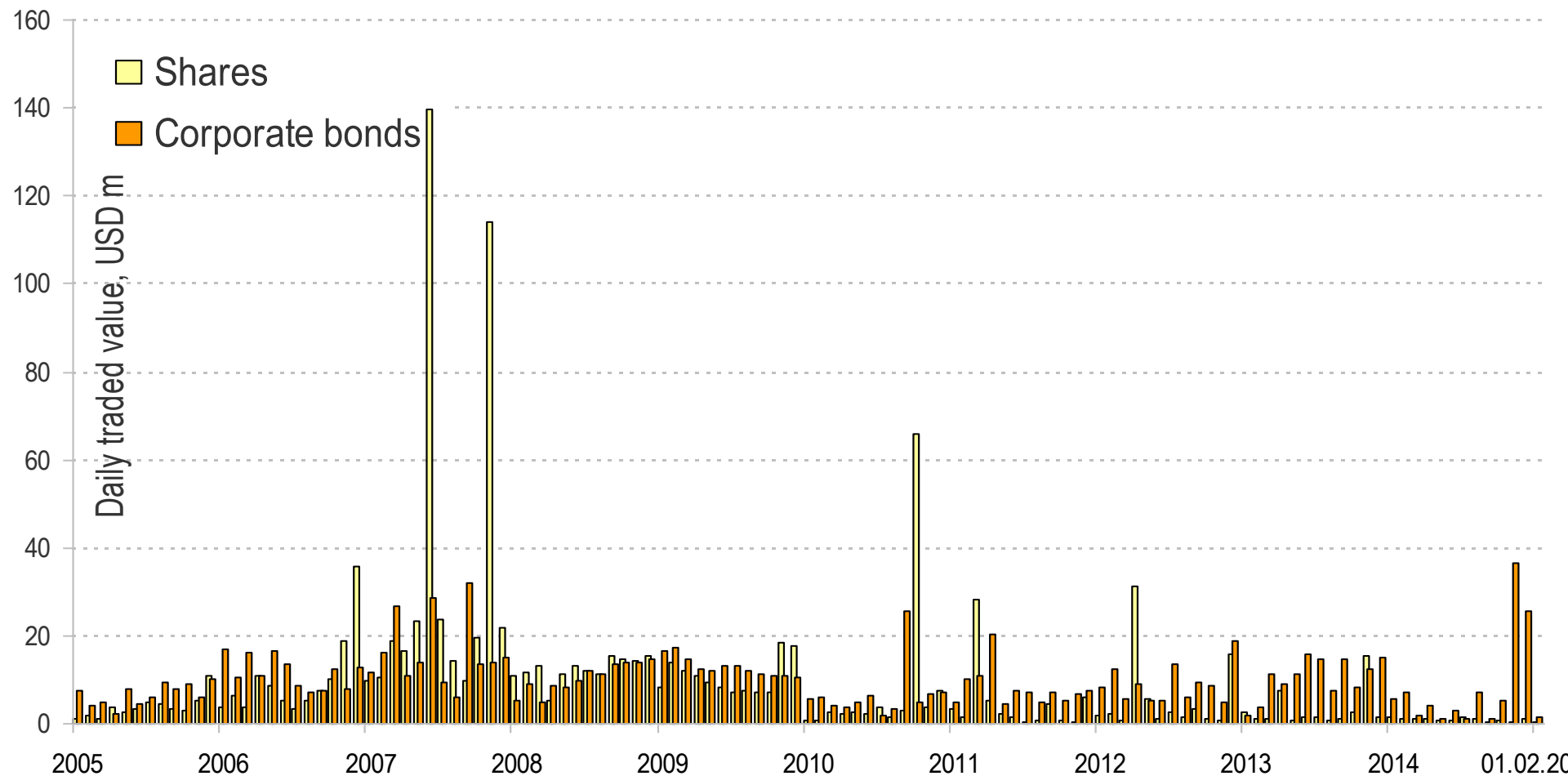
| | Shares | Bonds |
|--|--------|-------|
| Energy | 38.3 | 31.4 |
| Financials | 29.1 | 52.2 |
| Provision of telecommunications services | 10.1 | 0.3 |
| Materials | 11.7 | 1.8 |
| Industrials | 7.1 | 6.0 |
| Consumer staples | 2.9 | 1.4 |
| Provision of municipal services | 0.1 | 0.8 |
| Information Technology | 0.00 | 0.0 |
| Health Care | 0.2 | <0.1 |
| Consumer Discretionary | 0.50 | 6.1 |

Liquidity Parameters



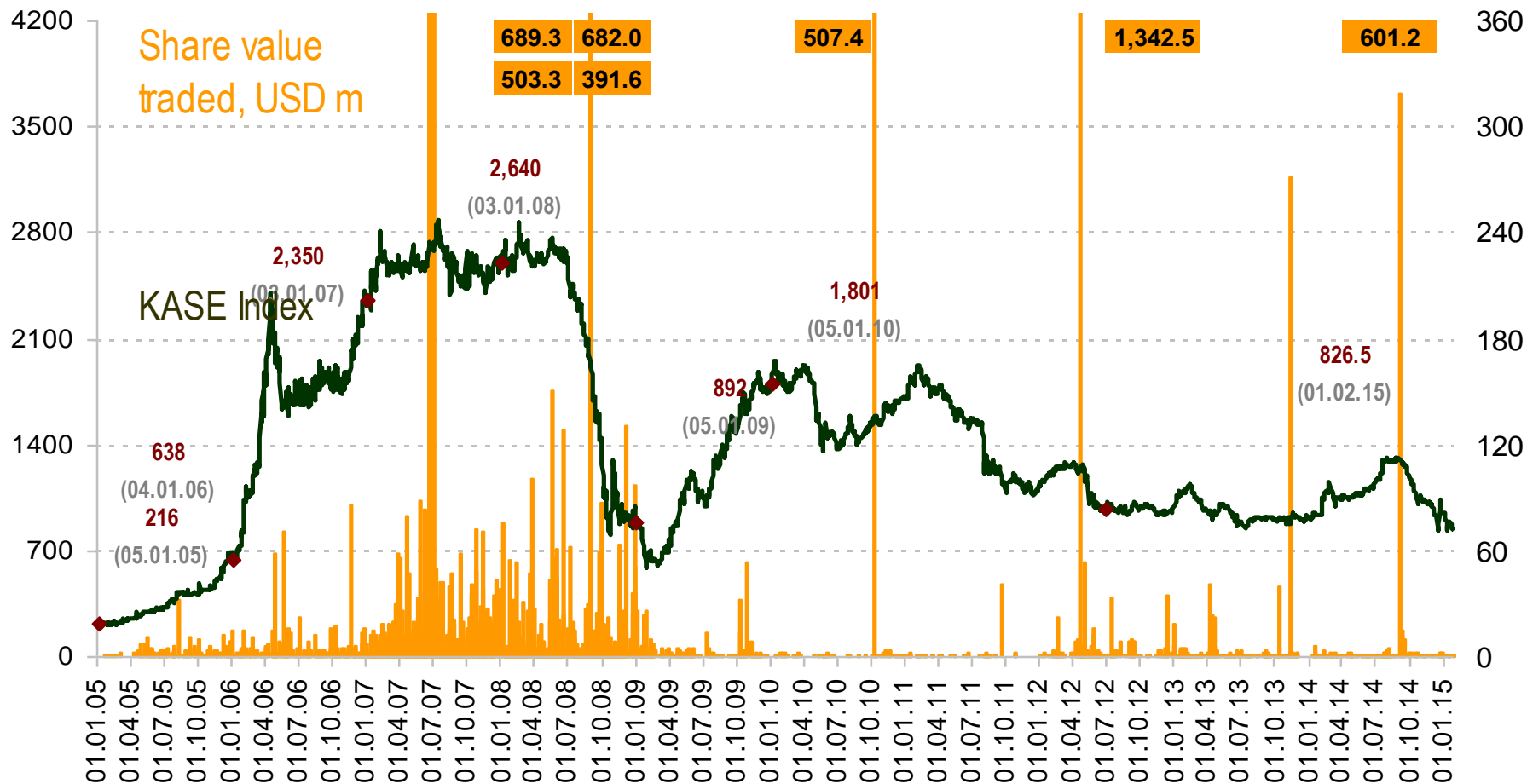
KASE total traded value for 1 month 2015: in shares – **\$0.01** m,
in corporate bonds – **\$0.03** m

Liquidity Parameters



KASE average **daily** traded value for 1 month 2015: in shares – **\$0.5 m**,
in corporate bonds – **\$1.7m**

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



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