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PRESS RELEASE

BTA BANK ANNOUNCES AGREEMENT ON THE FINANCIAL TERMS OF ITS \$11.2 BILLION RESTRUCTURING

Almaty, October 3, 2012 – BTA Bank JSC (the “Bank”) is pleased to inform its stakeholders about recent progress in agreeing the financial terms of the restructuring of its financial indebtedness. The Bank and broadly representative members of the steering committee of its creditors (the "**Steering Committee**"), other than Nomura International, have agreed a non-binding term sheet for the restructuring of its \$11.2 billion financial indebtedness that will help ensure the viability of the Bank. The letter describing these terms has been posted on the Bank’s website, www.bta.kz/en/investor/.

The Bank will receive considerable debt relief from its creditors holding Senior Notes, Recovery Units and Original Issue Discount Notes and various classes of subordinated debt. Creditors will exchange their interests for a package of New Notes and cash. The New Notes will have a nominal amount of \$750 million with a semi-annual coupon of 5.5% p.a. and a bullet maturity in 2022. In exchange for their notes, Senior Noteholders will receive \$957.8 million of cash and \$88.8 million of New Notes, Recovery Unit holders will receive \$660.2 million of cash and \$61.2 million of New Notes and Original Issue Discount Noteholders will receive \$600 million of New Notes. The amount and form of restructuring consideration (if any) to be delivered or paid with respect to any series of the Subordinated Notes shall be determined by the Bank but shall not alter or reduce any entitlements deliverable to other creditors.

The Bank has also agreed with its Revolving Committed Trade Finance Facility (“RCTFF”) lenders on terms for the RCTFF. These terms provide for an extension of the maturity of the \$348.2 million facility until 31 December 2015. Additionally, the RCTFF lenders have agreed to modify the eligibility criteria to facilitate increased utilisation of the RCTFF. This will enable BTA to finance new and profitable lending in accordance with its business plan. A summary of the new terms for the RCTFF is included in the letter posted on the Bank’s website.

The controlling shareholder, Samruk-Kazyna, will support the transaction through a combination of the conversion of deposits into equity resulting in an increase in its shareholding in the Bank, an increase in the coupon on its bonds held as an asset by the Bank and through a \$1.592 billion interest-bearing loan subordinated to the New Notes.

Yerik Balapanov, Chief Executive Officer of the Bank, said “We are very pleased with the outcome of the negotiations with the Steering Committee. We agreed the restructuring terms as a result of negotiations carried out under internationally recognised standards of best practice. We believe that this restructuring will provide the Bank with a sound and stabilised balanced financial structure going forward. We hope to complete the restructuring by year end 2012.”

Joseph Swanson, Co-Head of Financial Restructuring Europe, Houlihan Lokey - financial advisor to the Steering Committee stated “All the signatories are pleased to have reached agreement on the basic terms of the restructuring. They are also pleased that the Bank has reached agreement with the RCTFF lenders on the terms of an extension that will facilitate new trade finance availability for the Bank, as well as the broader banking sector in Kazakhstan. We remain committed to working with the Bank and its advisers to achieve a successful conclusion to the restructuring of BTA’s indebtedness.”

During the course of negotiations and as part of their due diligence, the Bank has shared certain financial information as to its historical results and projected business plans with the Steering Committee and its advisers. This information shows that based on the Bank’s business plan and financial model, the restoration of the Bank’s Tier 1 capital ratio above 10% under Basel II will be achieved post-restructuring and should be maintained through 2016, although profitability will be restored after 2014.

The Bank was advised by Lazard Frères and White & Case LLP, as financial and legal advisors respectively. The Steering Committee was advised by Houlihan Lokey and Baker & McKenzie, as financial and legal advisors respectively.

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