

**MINUTES #54
OF THE ANNUAL GENERAL SHAREHOLDERS' MEETING
OF KAZAKHTELECOM, JOINT STOCK COMPANY**

Registered address and bank details of Kazakhtelecom, JSC: 12, Sauran street, Essil district, Astana, BIN 941240000193, IIC KZ779261802104233017, BIC KZKOKZKX in Kazkommertsbank, JSC: 25, Dzhandosov str., Almaty.

Date, place and time of holding the meeting: April 22, 2015 at 03:00 PM, 12, Sauran street, Astana, Congress Hall of Kazakhtelecom JSC.

Mr. Bulat Abdykalykov, Corporate Secretary of Kazakhtelecom JSC is opening the meeting.

Dear shareholders and invitees,

Pursuant to the Resolution of the Board of Directors of Kazakhtelecom JSC No 2 dated March 18, 2015, the annual General Shareholders' Meeting of Kazakhtelecom JSC has been scheduled to be held today on April 22, 2015 at 03.00 PM.

Pursuant to article 45 of the Law of the Republic of Kazakhstan "On joint stock companies", the General Shareholders' Meeting is entitled to consider items that make up the agenda of the meeting and adopt resolutions, if, at the end of registration, the registered shareholders or their representatives that are on the list of shareholders entitled to participate in the meeting and vote at this meeting are holding in total fifty and more percents of the Company's voting shares.

The shareholders and their authorized representatives registered for participation at the annual General Shareholders' Meeting of Kazakhtelecom JSC have accumulated in aggregate (as at 03.00 PM local time) as many as **8 463 118** votes, which make up **88.43 %** of the total number of voting shares.

Thus, the quorum that is required to hold the meeting is achieved.

Since the authorities of the meeting's participants are confirmed, **I hereby declare this meeting open.**

The General Shareholders' Meeting is attended by the Company's shareholders, members of the Company's Board of Directors and Management Board and invitees.

Pursuant to paragraph 4 of article 48 of the Law of the Republic of Kazakhstan "On joint stock companies", we have to choose the form of voting: by open or secret vote (by voting ballots).

It is proposed to cast a vote in a secret manner by using voting ballots.

To vote for this proposal, please, raise your hand.

The decision is unanimous.

Thus, the annual General Shareholders' Meeting of Kazakhtelecom JSC has decided to choose a secret form of voting by using voting ballots.

To explain the voting procedure in details the floor is now given to Ms. Zhanna Belgibayeva, Senior Manager of the Secretariat of Kazakhtelecom JSC.

Ms. Zh. Belgibayeva: *On procedural issues the vote will be cast by raising a hand, on all other issues - by making remarks on the voting ballots. You've got on your hands the ballots for voting, on which you are supposed to make a corresponding remark with respect to the vote (For, Against, Abstained) on each item and to hand them over to the Accounting Commission.*

Mr. B. Abdykalykov: To hold the meeting we need to elect Chairperson, Secretary of the meeting and Accounting Commission.

It is proposed to elect:

a) **Ms. Gulnara Kubaizhanova**, Senior Expert of the Transport and Communications Assets Directorate of Samruk-Kazyna JSC, as Chairwoman of the meeting. Is there any other proposal? If not, please, vote for the proposed candidate by raising your hand.

The decision is unanimous.

b) **Mr. Bulat Abdykalykov**, Corporate Secretary of Kazakhtelecom JSC, as Secretary of the meeting. Are there any other proposals on candidates? If not, please, vote for the proposed candidate by raising your hands.

The decision is unanimous.

Mr. B. Abdykalykov: We received the letter from Integrated Securities Registrar JSC dated April 20, 2015 (Ref. No 04/306) by which the registrar informed that at this moment its representatives have no opportunity to participate in the meeting as members of the Accounting Commission. Thus, it is proposed to elect:

c) Accounting Commission in the following composition: **Ms. Zhanna Belgibayeva**, Senior Manager of the Secretariat of Kazakhtelecom JSC, as Chairwoman of the Accounting Commission; **Mr. Tokhtar Kasymkanov**, Senior Manager of the Secretariat of Kazakhtelecom JSC, **Mr. Asset Shakhanov**, Manager of the Project Finance Department of Kazakhtelecom JSC. Is there any other proposal on candidates? If not, please, vote for the proposed candidates by raising your hand.

The decision is unanimous.

Pursuant to article 46 and paragraph 4 of article 48 of the Law of the Republic of Kazakhstan “On joint stock companies” **the annual General Shareholders’ Meeting of Kazakhtelecom JSC has DECIDED:**

1. To elect Ms. Gulnara Kubaizhanova, as Chairwoman of the General Shareholders’ Meeting.
2. To elect Mr. Bulat Abdykalykov as Secretary of the General Shareholders’ Meeting.
3. To elect Accounting Commission of the General Shareholders’ Meeting in the following composition: Ms. Zhanna Belgibayeva, Mr. Tokhtar Kasymkanov, Mr. Asset Shakhanov.

I ask Chairwoman, Secretariat and Accounting Commission of the meeting to take their seats and proceed to carrying out their duties.

Mr. B. Abdykalykov: Now, let me give the floor to **Ms. Gulnara Kubaizhanova**, Chairwoman of the meeting.

Chairwoman G. Kubaizhanova: Before we proceed to discussing the issues we should approve the Agenda of the annual General Shareholders’ Meeting of Kazakhtelecom JSC. The Agenda of the meeting has been published in accordance with the established procedures in the official print media (“Kazakhstanskaya Pravda” No 53 dated 20.03.2015, and “Eguemen Kazakhstan” No 53 dated 20.03.2015 and on the Company’s corporate website, and is made up of the following items:

- 1) On approval of the annual financial statements of Kazakhtelecom JSC for 2014.
- 2) On the procedure of distributing the net profit of Kazakhtelecom JSC for 2014.
- 3) On considering complaints submitted by the Kazakhtelecom JSC’s shareholders against the actions of the Company and its officials in 2014.
- 4) On approval of the Annual Report of Kazakhtelecom JSC.
- 5) On termination of the terms of reference of the members of the Kazakhtelecom JSC’s Board of Directors and election of new members of the Kazakhtelecom JSC’s Board of Directors for the term provided for in the Kazakhtelecom JSC’s Charter.
- 6) On introduction of changes to the Kazakhtelecom JSC’s Charter.
- 7) On introduction of changes to the Kazakhtelecom JSC’s Corporate Governance Code.

To vote for the proposed agenda, please, raise your hand.

The decision is unanimous.

Chairwoman G. Kubaizhanova: Thus, the **annual General Shareholders’ Meeting of Kazakhtelecom JSC** has decided to approve the Agenda of the meeting. And yet, I want to point

out that in order to take the decision on item 7 of the Agenda the qualified majority of votes out of the total number of voting shares is required in accordance with paragraph 2 of article 36 of the Law of the Republic of Kazakhstan “On joint stock companies”. In this connection I ask the Accounting Commission to confirm availability of quorum to vote on this item.

Ms. Zh. Belgibayeva: At the current moment, we’ve got **4** registered shareholders and their authorized representatives, which make up **8 463 118** votes. Thus, we have the qualified majority out of the total number of voting shares.

Chairwoman G. Kubaizhanova: Before we proceed to discussing the issues of the Agenda, we should be informed about the activities of the Board of Directors of Kazakhtelecom JSC for 2014. The floor is given to Mr. Bulat Abdykalykov, Corporate Secretary of Kazakhtelecom JSC.

Mr. B. Abdykalykov: Dear shareholders, in 2014, activity of the Board of Directors was very dynamic and efficient. The Board of Directors took relevant decisions on all issues under the competence of the Company’s management body allowing the Company to continue its effective operation. Moreover, 4 Committees (Audit Committee, Appointments and Remunerations Committee, Strategic Planning Committee, and Social Affairs Committee) also fruitfully operated under the Board of Directors.

Among other materials there is the Annual Report of Kazakhtelecom JSC for 2014 on your table, which contains detailed information about the activities of the Board of Directors of Kazakhtelecom JSC in 2014, its committees, and members of the Board of Directors. This Annual Report will be submitted for your approval when considering the fourth item of the Agenda of today's meeting.

Pursuant to subparagraph 3) of paragraph 2 of article 35 of the Law of the Republic of Kazakhstan "On joint stock companies", the Company's shareholders should be informed about remuneration of the members of the company’s board of directors and executive body. Information about remuneration of the members of the Company’s Board of Directors and executive body is disclosed in the annual report.

Summarizing the results of activity of the Board of Directors in 2014, it should be noted that this body while performing its duties acted in the interests of the Company’s shareholders, in good faith and in a reasonable manner.

Thank you for your attention.

Chairwoman G. Kubaizhanova: Do you have any questions to the speaker?

Item 1

Chairwoman G. Kubaizhanova: We now proceed to the first item of the Agenda. The floor is given to Ms. Botagoz Meshitbayeva, Deputy Chief Accountant – Director of the Accounting and Reporting Department of Kazakhtelecom JSC, to speak on the first item of the Agenda “**On approval of the annual financial statements of Kazakhtelecom JSC for 2014**”.

Speech of Ms. B. Meshitbayeva:

Chairwoman G. Kubaizhanova: Do you have any questions to the speaker?

Chairwoman G. Kubaizhanova: Thus, the following draft decision is being put to the vote on the first item of the Agenda “**On approval of the annual financial statements of Kazakhtelecom JSC for 2014**”:

Pursuant to subparagraph 7) of paragraph 1 of article 36 of the Law of the Republic of Kazakhstan “On joint stock companies”, the annual General Shareholders’ Meeting of Kazakhtelecom JSC **has DECIDED:**

To approve the annual (consolidated and separate) financial statements of Kazakhtelecom JSC for 2014 pursuant to Annexes 1-4 hereto.

If there are no objections, please make corresponding remarks on the voting ballots on this particular issue and hand them over to the Accounting Commission.

Shareholders and their authorized representatives made corresponding remarks on the voting ballots. Members of the Accounting Commission collected voting ballots.

Item 2

Chairwoman G. Kubaizhanova: We now proceed to the second item of the Agenda. The floor is given to Mr. Tleu Aitzhanov, Director of the Project Finance Department of Kazakhtelecom JSC, to speak on the second item of the Agenda “**On the procedure of distributing the net profit of Kazakhtelecom JSC for 2014**”.

Speech of Mr. T. Aitzhanov:

Chairwoman G. Kubaizhanova: Do you have any questions to the speaker?

Chairwoman G. Kubaizhanova: Thus, the following draft decision is being put to the vote on the second item of the Agenda “**On the procedure of distributing the net profit of Kazakhtelecom JSC for 2014**”:

Pursuant to subparagraph 8) of paragraph 1 of article 36 of the Law of the Republic of Kazakhstan “On joint stock companies”, the annual General Shareholders’ Meeting of Kazakhtelecom JSC **has DECIDED:**

1. To approve the following procedure of distributing the net profit of Kazakhtelecom JSC for 2014 in the amount of KZT 7 483 619 000 (seven billion four hundred eighty three million six hundred and nineteen thousand tenge):

1) the amount of KZT 1 122 543 000 (one billion one hundred twenty two million five hundred and forty three thousand tenge) out of the consolidated net profit is to be allocated for paying out the dividends for 2014;

2) the remaining part in the amount of KZT 6 361 076 000 (six billion three hundred sixty one million and seventy six thousand tenge) is to be left in the Company’s disposal;

3) to approve the amount of the dividend for 2014 calculated on the basis of the price per the Company’s ordinary share of KZT 101 (one hundred and one tenge) and 73 (seventy three) tiyn;

4) to make up the list of those shareholders who have the right to receive dividends for 2014 as of 00 hours 00 minutes of the first Sunday after the date of holding the annual General Shareholders’ Meeting;

5) to determine the date of commencing paying out the dividends on ordinary shares for 2014 on the following business day after the date of making up the list of those shareholders who have the right to receive dividends for 2014 within one month;

6) to approve the order and procedure of paying out the dividends: by one non-recurrent payment;

7) to approve the form of paying out the dividends on shares of Kazakhtelecom JSC located at the following address: 12, Sauran street, Essil district Astana, bank details: BIN 941240000193, IIC KZ779261802104233017 in Almaty branch of Kazkommertsbank JSC, BIC KZKOKZKX, Beneficiary Code 16 – in cash by wire transfer to the shareholder’s bank account.

If there are no objections, please make corresponding remarks on the voting ballots on this particular issue and hand them over to the Accounting Commission.

Shareholders and their authorized representatives made corresponding remarks on the voting ballots. Members of the Accounting Commission collected voting ballots.

Item 3

Chairwoman G. Kubaizhanova: We now proceed to the third item of the Agenda. The floor is given to Mr. Bulat Abdykalykov, Corporate Secretary of Kazakhtelecom JSC, to speak on the third item of the Agenda “**On considering complaints submitted by the Kazakhtelecom JSC’s shareholders against the actions of the Company and its officials in 2014**”.

Speech of Mr. B. Abdykalykov:

Pursuant to subparagraph 3) of paragraph 2 of article 35 of the Law of the Republic of Kazakhstan “On joint stock companies”, the annual general shareholders’ meeting shall consider the issue on considering shareholders’ complaints against the actions of the company and its officials and the results of this consideration.

Thus, we inform that there were no complaints against the actions of the Company and its officials in 2014.

In the absence of complaints from shareholders of Kazakhtelecom JSC against any action of Kazakhtelecom JSC and its officials in 2014, the information is advised to be taken into account without voting procedure.

Chairwoman G. Kubaizhanova: Do you have any questions to the speaker? If there are no objections, please take into account the information about the absence of complaints from shareholders of Kazakhtelecom JSC against any action of Kazakhtelecom JSC and its officials in 2014 without voting procedure.

Item 4

Chairwoman G. Kubaizhanova: We now proceed to the fourth item of the agenda. The floor is given to Mr. Ergazy Omarov, Managing Director for Government Relations and Administrative Issues of Kazakhtelecom JSC, to speak on the fourth item of the agenda “**On approval of the Annual Report of Kazakhtelecom JSC**”.

Speech of Mr. E. Omarov:

Chairwoman G. Kubaizhanova: Do you have any questions to the speaker?

Chairwoman G. Kubaizhanova: Thus, the following draft decision is being put to the vote on the fourth item of the agenda “**On approval of the Annual Report of Kazakhtelecom JSC**”:

Pursuant to subparagraph 18) of paragraph 1 of article 36 of the Law of the Republic of Kazakhstan “On joint stock companies” and subparagraph 14) of paragraph 1 of article 29 of the Kazakhtelecom’s Charter, the annual General Shareholders’ Meeting of Kazakhtelecom JSC **has DECIDED:**

To approve the Annual Report of Kazakhtelecom JSC for 2014 attached hereto.

If there are no objections, please make corresponding remarks on the voting ballots on this particular issue and hand them over to the Accounting Commission.

Shareholders and their authorized representatives made corresponding remarks on the voting ballots. Members of the Accounting Commission collected voting ballots.

Item 5

Chairwoman G. Kubaizhanova: We now proceed to the fifth item of the Agenda. The floor is given to Mr. Bulat Abdykalykov, Corporate Secretary of Kazakhtelecom JSC, to speak on the fifth item of the Agenda “**On termination of the terms of reference of the members of the Kazakhtelecom JSC’s Board of Directors and election of new members of the Kazakhtelecom JSC’s Board of Directors for the term provided for in the Kazakhtelecom JSC’s Charter**”.

Speech of Mr. B. Abdykalykov: In connection with the need to explore item 5 of the Agenda more deliberately by the major shareholders of Kazakhtelecom JSC, it is advised to postpone consideration of this item to the next General Shareholders' Meeting.

Moreover, due to the fact that issue 6 and issue 7 of the Agenda (on introduction of changes to the Company's Charter and Corporate Governance Code) are related to issue 5, it is advised to postpone their consideration to the next General Shareholders' Meeting as well.

Chairwoman G. Kubaizhanova: Do you have any questions to the speaker?

V. Popov (representative of Bodam BV, private shareholder of the Company): I agree.

Chairwoman G. Kubaizhanova: Thus, it is advised to postpone consideration of items 5-7 of the Agenda "**On termination of the terms of reference of the members of the Kazakhtelecom JSC's Board of Directors and election of new members of the Kazakhtelecom JSC's Board of Directors for the term provided for in the Kazakhtelecom JSC's Charter**", "**On introduction of changes to the Kazakhtelecom JSC's Charter**", "**On introduction of changes to the Kazakhtelecom JSC's Corporate Governance Code**" to the next General Shareholders' Meeting.

If there are no objections, the following draft decision is submitted for consideration without voting procedure:

To postpone consideration of items 5-7 of the Agenda to the next General Shareholders' Meeting of Kazakhtelecom JSC.

We announce 10 minutes break

Chairwoman G. Kubaizhanova: The floor is given to the Chairwoman of the Accounting Commission to announce the results of voting on the first item of the Agenda "**On approval of the annual financial statements of Kazakhtelecom JSC for 2014**".

Ms. Zh. Belgibayeva, Chairwoman of the Accounting Commission:

(Minutes of the meeting of the Accounting Commission of the annual General Shareholders' Meeting of Kazakhtelecom JSC based on the results of voting on item 1 of the Agenda of the General Shareholders' Meeting dated April 22, 2015).

Summing-up the results of the open voting on the first item the votes have been distributed as follows:

The "**FOR**" votes totalled **8 463 118** votes, making up **100%** of the total number of participating votes.

The "**AGAINST**" votes totalled **0** votes, making up **0%** of the total number of participating votes.

The "**ABSTAINED FROM VOTING**" votes totalled **0** votes, making up **0%** of the total number of participating votes.

Pursuant to paragraph 2 of article 36 of the Law of the Republic of Kazakhstan "On joint stock companies" to take the decision on this particular item the simple majority of votes of those shareholders attending the meeting is required.

As a result of voting **THE DECISION HAS BEEN TAKEN UNANIMOUSLY.**

Chairwoman G. Kubaizhanova: Thus, pursuant to subparagraph 7) of paragraph 1 of article 36 of the Law of the Republic of Kazakhstan "On joint stock companies", the annual General Shareholders' Meeting of Kazakhtelecom JSC **has DECIDED:**

To approve the annual (consolidated and separate) financial statements of Kazakhtelecom JSC for 2014 pursuant to Annexes 1-4 hereto.

Chairwoman G. Kubaizhanova: The floor is given to the Chairwoman of the Accounting Commission to announce the results of voting on the second item of the Agenda "**On the procedure of distributing the net profit of Kazakhtelecom JSC for 2014**".

Ms. Zh. Belgibayeva, Chairwoman of the Accounting Commission:

(Minutes of the meeting of the Accounting Commission of the annual General Shareholders' Meeting of Kazakhtelecom JSC based on the results of voting on item 2 of the Agenda of the General Shareholders' Meeting dated April 22, 2015).

Summing-up the results of the open voting on the second item the votes have been distributed as follows:

The “**FOR**” votes totalled **8 463 118** votes, making up **100%** of the total number of participating votes.

The “**AGAINST**” votes totalled **0** votes, making up **0%** of the total number of participating votes.

The “**ABSTAINED FROM VOTING**” votes totalled **0** votes, making up **0%** of the total number of participating votes.

Pursuant to paragraph 2 of article 36 of the Law of the Republic of Kazakhstan “On joint stock companies” to take the decision on this particular item the simple majority of votes of those shareholders attending the meeting is required.

As a result of voting **THE DECISION HAS BEEN TAKEN UNANIMOUSLY.**

Chairwoman G. Kubaizhanova: Thus, pursuant to subparagraph 8) of paragraph 1 of article 36 of the Law of the Republic of Kazakhstan “On joint stock companies”, the annual General Shareholders' Meeting of Kazakhtelecom JSC **has DECIDED:**

1. To approve the following order of distributing the net profit of Kazakhtelecom JSC for 2014 in the amount of KZT 7 483 619 000 (seven billion four hundred eighty three million six hundred and nineteen thousand tenge):

1) the amount of KZT 1 122 543 000 (one billion one hundred twenty two million five hundred and forty three thousand tenge) out of the consolidated net profit is to be allocated for paying out the dividends for 2014;

2) the remaining part in the amount of KZT 6 361 076 000 (six billion three hundred sixty one million and seventy six thousand tenge) is to be left in the Company's disposal;

3) to approve the amount of the dividend for 2014 calculated on the basis of the price per the Company's ordinary share of KZT 101 (one hundred and one tenge) and 73 (seventy three) tiyn;

4) to make up the list of those shareholders who have the right to receive dividends for 2014 as of 00 hours 00 minutes of the first Sunday after the date of holding the annual General Shareholders' Meeting;

5) to determine the date of commencing paying out the dividends on ordinary shares for 2014 on the following business day after the date of making up the list of those shareholders who have the right to receive dividends for 2014 within one month;

6) to approve the order and procedure of paying out the dividends: by one non-recurrent payment;

7) to approve the form of paying out the dividends on shares of Kazakhtelecom JSC located at the following address: 12, Sauran street, Essil district Astana, bank details: BIN 941240000193, IIC KZ779261802104233017 in Almaty branch of Kazkommertsbank JSC, BIC KZKOKZKX, Beneficiary Code 16 – in cash by wire transfer to the shareholder's bank account.

Chairwoman G. Kubaizhanova: On the third item of the Agenda “**On considering complaints submitted by the Kazakhtelecom JSC's shareholders against the actions of the Company and its officials in 2014**” in connection with the absence of complaints from shareholders of Kazakhtelecom JSC against any action of the Company and its officials in 2014 the information is taken into account without voting procedure.

Chairwoman G. Kubaizhanova: The floor is given to the Chairwoman of the Accounting Commission to announce the results of voting on the fourth item of the Agenda “**On approval of the Annual Report of Kazakhtelecom JSC**”.

Ms. Zh. Belgibayeva, Chairwoman of the Accounting Commission:

(Minutes of the meeting of the Accounting Commission of the annual General Shareholders' Meeting of Kazakhtelecom JSC based on the results of voting on item 4 of the Agenda of the General Shareholders' Meeting dated April 22, 2015).

Summing-up the results of the open voting on the second item the votes have been distributed as follows:

The “**FOR**” votes totalled **8 463 118** votes, making up **100%** of the total number of participating votes.

The “**AGAINST**” votes totalled **0** votes, making up **0%** of the total number of participating votes.

The “**ABSTAINED FROM VOTING**” votes totalled **0** votes, making up **0%** of the total number of participating votes.

To take the decision on this particular item the simple majority of votes of those shareholders attending the meeting is required.

As a result of voting **THE DECISION HAS BEEN TAKEN UNANIMOUSLY.**

Chairwoman G. Kubaizhanova: Thus, pursuant to subparagraph 18) of paragraph 1 of article 36 of the Law of the Republic of Kazakhstan “On joint stock companies” and subparagraph 14) of paragraph 1 of article 29 of the Kazakhtelecom’s Charter, the annual General Shareholders’ Meeting of Kazakhtelecom JSC **has DECIDED:**

To approve the Annual Report of Kazakhtelecom JSC for 2014 attached hereto.

Chairwoman G. Kubaizhanova: On items 5-7 of the Agenda “**On termination of the terms of reference of the members of the Kazakhtelecom JSC’s Board of Directors and election of new members of the Kazakhtelecom JSC’s Board of Directors for the term provided for in the Kazakhtelecom JSC’s Charter**”, “**On introduction of changes to the Kazakhtelecom JSC’s Charter**”, “**On introduction of changes to the Kazakhtelecom JSC’s Corporate Governance Code**” the annual General Shareholders’ Meeting of Kazakhtelecom JSC **has DECIDED:**.

To postpone consideration of items 5-7 of the Agenda to the next General Shareholders’ Meeting of Kazakhtelecom JSC.

Chairwoman G. Kubaizhanova: Are there any remarks or proposals as to the way in which the meeting has been conducted? If not, let me announce the closure of the annual General Shareholders’ Meeting. Thank you for your participation, Good bye!

Chairwoman of the General Shareholders’ Meeting	G. Kubaizhanova
Secretary of the General Shareholders’ Meeting	B. Abdykalykov
Chairwoman of the Accounting Commission:	Zh. Belgibayeva
Members of the Accounting Commission	T. Kasymkanov
	A. Shakhanov
Representatives of the shareholders holding 10% and more of voting shares	V. Popov