

**Press release**

*Nur-Sultan, November 19, 2019*

**"KazTransOil" JSC announces about affirmation by the international rating agency Fitch Ratings of "KazTransOil" JSC long-term rating of default in foreign currency at the level of "BBB-" with a "Stable" outlook**

On November 15, 2019 the international rating agency Fitch Ratings (hereinafter -Fitch) affirmed default long-term rating of "KazTransOil" JSC (hereinafter – KazTransOil or Compnay) in foreign currency at the level of "BBB-" with a "Stable" outlook.

Fitch notes that KazTransOil's ratings reflect its strong operating and financial performance. The Company maintains a dominant position in the oil transportation sector in the Republic of Kazakhstan, which is crucial for the economy of the country. KazTransOil has strong operational and strategic ties with JSC NC "KazMunayGas", which receives significant benefits from the free cash flow of the Company through dividends. In addition, the Company is not directly affected by fluctuations of oil prices, which is a favorable factor for its business profile.

According to Fitch, KazTransOil has a positive impact due to agreements with Russian companies on the transit of Russian oil to China and Uzbekistan through Kazakhstan. PJSC Rosneft Oil Company increased its volumes of transportation through Kazakhstan to China from 7 million tons in 2017 to 10 million tons in 2018.

At the same time, Fitch analysts emphasize the ability of KazTransOil to increase export tariffs, which is a favorable factor in the creditworthiness of the Company. A similar change in tariffs (an increase of 10%) was approved on April 1, 2018.

Fitch considers KazTransOil's separate operating profile to be in line with the "bbb" rating category, which is being held back JSC NC "KazMunayGas" and the regulatory environment.

**IR Service****"KazTransOil" JSC**