



## PRESS-RELEASE

### **KMG EP announces operating results for the first quarter of 2012**

**Astana, 16 April, 2012.** JSC KazMunaiGas Exploration Production (“KMG EP” or “the Company”) announces that in the first three months of 2012 it produced 3,029 thousand tonnes of crude oil (249kbopd), including the Company’s stakes in Kazgermunai (KGM), CCEL and PetroKazakhstan Inc. (PKI) which is 143 thousand tonnes or 5% less than in the same period of 2011.

Uzenmunaigas (UMG) produced 1,236 thousand tonnes (101kbopd), which is 177 thousand tonnes less than in the same period of 2011. Embamunaigas (EMG) produced 675 thousand tonnes (55kbopd), which is 6 thousand tonnes less than in the same period of 2011. The total volume of the oil produced at the production facilities of UMG and EMG in the first three months of 2012 is 1,911 thousand tonnes of oil (156kbopd), which is 182 thousand tonnes or 9% less than in the same period of 2011 and about 150 thousand tonnes (7%) behind the plan, primarily due to adverse weather conditions in Western Kazakhstan.

The initial 2012 production targets for UMG and EMG have been set at 5,800 thousand tonnes and 2,815 thousand tonnes respectively. Given the 1Q2012 results, these targets may be more challenging than previously anticipated. The Company will do everything possible to meet them but the results of 2Q2012 will serve as an indicator whether KMG EP will need to adjust its 2012 production forecasts.

The Company’s share in the production from KGM, CCEL and PKI for the three months of 2012 amounted to 1,119 thousand tonnes of crude oil (93kbopd) which is 39 thousand tonnes or 4% more than in the same period of 2011. In the first three months of 2012 the Company’s export and domestic sales from the Uzenmunaigas and Embamunaigas production facilities were 1,496 thousand tonnes (122kbopd) and 442 thousand tonnes (36kbopd) respectively.

The Company’s share in the sales from KGM, CCEL and PKI was 1,105 thousand tonnes of crude oil (93kbopd), including 766 thousand tonnes (64kbopd) or 68% supplied to export markets. PKI sales volumes include sales of oil products produced from the crude oil purchased under swap arrangements with third parties.

#### **NOTES TO EDITORS**

KMG EP is among the top three Kazakh oil and gas producers. The overall production in 2011 was 12.3mt (an average of 250 kbopd) of crude oil, including the Company’s share in Kazgermunai, CCEL and PKI. The total volume of proved and probable reserves, as at the end of 2011 was 226mt (1.7bn bbl), including shares in the associates of about 2.1 bn barrels. The Company’s shares are listed on the Kazakhstan Stock Exchange and the GDRs are listed on The London Stock Exchange. The Company raised over US\$2bn in its IPO in September 2006. The International rating agency Standard & Poor’s (S&P) confirmed KMG EP’s “BBB-” corporate credit rating in December 2011 and “GAMMA-6” rating in September 2011.

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