

**Consolidated Interim Statement of Financial Position***Tenge million*

		March 31, 2017	December 31, 2016
	Notes	Unaudited	Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	319,991	311,597
Intangible assets		11,629	11,607
Investments in joint ventures	6	143,932	144,532
Investments in associate	7	131,822	135,633
Receivable from a jointly controlled entity		16,861	16,696
Loans receivable from joint ventures	6	29,100	29,638
Other financial assets	8	33,598	35,961
Deferred tax asset		48,836	51,459
Other assets and advances		8,311	970
<b>Total non-current assets</b>		<b>744,080</b>	<b>738,093</b>
<b>Current assets</b>			
Inventories		25,530	24,774
Income taxes prepaid		64,482	51,567
VAT recoverable		19,404	16,680
Mineral extraction and rent tax prepaid		6,064	15,676
Export customs duty and other taxes prepaid		15,406	15,071
Prepaid expenses		13,136	11,529
Trade and other receivables	8	70,997	74,121
Receivable from a jointly controlled entity		16,583	17,617
Other financial assets	8	947,566	983,257
Cash and cash equivalents	8	170,346	162,091
<b>Total current assets</b>		<b>1,349,514</b>	<b>1,372,383</b>
<b>Total assets</b>		<b>2,093,594</b>	<b>2,110,476</b>
<b>EQUITY</b>			
Share capital	9	165,397	165,343
Other capital reserves		2,387	2,448
Retained earnings		1,446,629	1,444,351
Foreign currency translation reserve		291,647	321,370
<b>Total equity</b>		<b>1,906,060</b>	<b>1,933,512</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings		3,156	3,844
Deferred tax liability		138	138
Provisions	10	46,455	45,300
<b>Total non-current liabilities</b>		<b>49,749</b>	<b>49,282</b>
<b>Current liabilities</b>			
Borrowings		5,209	5,483
Provisions	10	38,527	45,926
Mineral extraction tax and rent tax payable		28,830	8,571
Trade and other payables		65,219	67,702
<b>Total current liabilities</b>		<b>137,785</b>	<b>127,682</b>
<b>Total liabilities</b>		<b>187,534</b>	<b>176,964</b>
<b>Total liabilities and equity</b>		<b>2,093,594</b>	<b>2,110,476</b>

KAZMUNAIGAS EXPLORATION PRODUCTION JOINT STOCK COMPANY

**Consolidated Interim Statement of Comprehensive Income (unaudited)**

*Tenge million*

		<b>Three months ended March 31,</b>	
	<b>Notes</b>	<b>2017</b>	<b>2016</b>
Revenue	11	213,726	121,190
Share of results of associate and joint ventures	6,7	8,406	(3,690)
Finance income		7,320	8,015
<b>Total revenue and other income</b>		<b>229,452</b>	<b>125,515</b>
Production expenses	12	(70,079)	(54,618)
Selling, general and administrative expenses	13	(25,480)	(30,316)
Depreciation, depletion and amortization		(8,356)	(6,621)
Taxes other than on income	14	(65,595)	(34,195)
Gain / (loss) on disposal of property, plant and equipment	5	397	(131)
Finance costs		(1,269)	(941)
Foreign exchange (loss) / gain, net		(58,653)	13,313
<b>Profit before tax</b>		<b>417</b>	<b>12,006</b>
Income tax benefit / (expense)	15	1,854	(11,082)
<b>Profit for the period</b>		<b>2,271</b>	<b>924</b>
Foreign currency translation difference		(29,723)	9,431
<b>Other comprehensive (loss) / income for the period to be reclassified to profit and loss in subsequent periods</b>		<b>(29,723)</b>	<b>9,431</b>
<b>Total comprehensive (loss) / income for the period, net of tax</b>		<b>(27,452)</b>	<b>10,355</b>
EARNINGS PER SHARE – Tenge thousands			
Basic and diluted		0.03	0.01

**Consolidated Interim Statement of Cash Flows (unaudited)***Tenge million*

		<b>Three months ended March 31,</b>	
	Notes	2017	2016
<b>Cash flows from operating activities</b>			
Profit before tax		417	12,006
Adjustments to add / (deduct) non-cash items			
Depreciation, depletion and amortisation		8,356	6,621
Share of result of associate and joint ventures		(8,406)	3,690
(Gain) /loss on disposal of property, plant and equipment (PPE)	5	(397)	131
Recognition of share-based payments		–	43
Unrealised foreign exchange loss / (gain) on non-operating activities		53,656	(8,012)
Change in provisions		(4,086)	969
Other non-cash income and expense		527	105
Add finance costs		1,269	941
Deduct finance income		(7,320)	(8,015)
Working capital adjustments			
Change in other assets		(158)	131
Change in inventories		(678)	2,190
Change in export customs duty, VAT recoverable and other taxes prepaid		(5,503)	1,951
Change in prepaid expenses		(1,607)	(568)
Change in trade and other receivables		2,107	(3,482)
Change in trade and other payables		(3,301)	(3,324)
Change in mineral extraction and rent tax payable and prepaid		29,871	(9,731)
Income tax paid		(9,382)	(26,625)
<b>Net cash generated / (used) in operating activities</b>		<b>55,365</b>	<b>(30,979)</b>
<b>Cash flows from investing activities</b>			
Purchases of PPE and advances paid for PPE	5	(24,152)	(32,267)
Proceeds from sale of PPE		1,445	65
Purchases of intangible assets		(50)	(251)
Loans provided to joint ventures		(619)	–
Dividends received from joint ventures and associate, net of withholding tax		675	6,386
(Purchase)/proceeds from withdrawal of financial assets held to maturity		(17,750)	69,807
Interest received		3,139	2,625
<b>Net cash (used) / generated from investing activities</b>		<b>(37,312)</b>	<b>46,365</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(602)	(323)
Dividends paid to Company's shareholders		(27)	(15)
<b>Net cash used in financing activities</b>		<b>(629)</b>	<b>(338)</b>
Net change in cash and cash equivalents		17,424	15,048
Cash and cash equivalents at the beginning of the period	8	162,091	237,310
Net foreign exchange difference on cash and cash equivalents		(9,169)	3,659
<b>Cash and cash equivalents at the end of the period</b>	<b>8</b>	<b>170,346</b>	<b>256,017</b>

KAZMUNAIGAS EXPLORATION PRODUCTION JOINT STOCK COMPANY

**Consolidated Interim Statement of Changes in Equity**

*Tenge million*

	Share capital	Treasury stock	Other capital reserves	Retained earnings	Foreign currency translation reserve	Total Equity
<b>As at December 31, 2015 (audited)</b>	<b>263,095</b>	<b>(100,091)</b>	<b>3,945</b>	<b>1,311,759</b>	<b>333,141</b>	<b>1,811,849</b>
Profit for the period	–	–	–	924	–	924
Other comprehensive income	–	–	–	–	9,431	9,431
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>924</b>	<b>9,431</b>	<b>10,355</b>
Recognition of share-based payments	–	–	43	–	–	43
Exercise of employee options	–	964	(1,231)	267	–	–
<b>As at March 31, 2016 (unaudited)</b>	<b>263,095</b>	<b>(99,127)</b>	<b>2,757</b>	<b>1,312,950</b>	<b>342,572</b>	<b>1,822,247</b>
<b>As at December 31, 2016 (audited)</b>	<b>263,095</b>	<b>(97,752)</b>	<b>2,448</b>	<b>1,444,351</b>	<b>321,370</b>	<b>1,933,512</b>
Profit for the period	–	–	–	2,271	–	2,271
Other comprehensive loss	–	–	–	–	(29,723)	(29,723)
<b>Total comprehensive loss</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,271</b>	<b>(29,723)</b>	<b>(27,452)</b>
Exercise of employee options	–	54	(61)	7	–	–
<b>As at March 31, 2017 (unaudited)</b>	<b>263,095</b>	<b>(97,698)</b>	<b>2,387</b>	<b>1,446,629</b>	<b>291,647</b>	<b>1,906,060</b>