

REPUBLICAN STATE ENTERPRISE 'COMMITTEE FOR THE CONTROL AND SUPERVISION OF THE FINANCIAL MARKET AND FINANCIAL ORGANIZATIONS OF THE NATIONAL BANK OF THE REPUBLIC OF KAZAKHSTAN'

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KEGOC JSC

*37 Beibitshilik St, Saryarka district, Astana, 010000,
Republic of Kazakhstan Tel. 8 7172 31 95 22*

Reference No. 10-07/5271 dated 20 August 2013

Approval of the report on the results of shares placement

The Committee for the Control and Supervision of the Financial Market and Financial Organizations of the National Bank of Kazakhstan (hereinafter - the Committee) approved the report on the results of KEGOC's shares placement. The Committee forwards the respective notice and a copy of the said report with the Committee's endorsement.

In accordance with Article 24.2 of the Law of the Republic of Kazakhstan 'On Securities Market' dated 2 July 2003 the company shall submit to the Committee the reports on the results of securities placement.

Pursuant to the requirements of Clause 20 of the Uniform Standard of the Public Service approved by Resolution of the Government of the Republic of Kazakhstan No.558 dated 30 June 2007 in order to assess the performance of the National Bank of Kazakhstan and improve the quality of rendered public services, the Committee requests to fill in the enclosed public service card. This card shall be filled in by the CEO (or his/her deputy) and sent back to the Committee.

Deputy Chairman of the Committee

M. Hadzhiyeva

Prepared by: Zh. Baulukbayeva

Phone: (727)278-81-04(1085)

REPORT

on the results of shares placement

1. Name of the company and its location.

Full name:

in Kazakh:

«Электр желілерін басқару жөніндегі Қазақстан компаниясы» «KEGOC»
(Kazakhstan Electricity Grid Operating Company) акционерлік қоғамы

in Russian:

Акционерное общество «Казахстанская компания по управлению электрическими сетями» (Kazakhstan Electricity Grid Operating Company) «KEGOC»

Short name:

in Kazakh: «KEGOC» АҚ

in Russian: АО «KEGOC»

Location: 37 Beibitshilik St, Saryarka district, Astana, 010000, Republic of Kazakhstan (7172) 31-95-22, fax (7172) 690-435, E-mail: kegoc@kegoc.kz

1-1. Information on the state registration (re-registration) of the company.

Certificate of state re-registration No. 6801-1901-AO dated 21 October 2004. The Department of Justice of Astana of the Ministry of Justice of the Republic of Kazakhstan conducted the re-registration.

2. Date of state registration of the authorized shares issue (replacement of the certificate of state registration of the authorized shares issue) and the state registration number of the issue.

The state registration of KEGOC's authorized shares issue was conducted on 9 June 2005, Certificate of state registration of securities issue No. A3493 dated 9 June 2005. The issue was divided into 7,562,588 (seven million five hundred and sixty-two thousand five hundred and eighty-eight) shares which were assigned national identification number KZ1C34930012.

As of the date of registration of the shares issue prospectus 7,406,963 (seven million four hundred and six thousand nine hundred and sixty-three) ordinary shares were placed and paid for.

Certificate of state registration of KEGOC authorized shares issue No. A3493 dated 18 March 2013 was replaced. The issue was divided into 238,324,377 (two hundred and thirty-

eight million three hundred and twenty-four thousand three hundred and seventy-seven) shares which were assigned national identification number KZ1C34930012.

3. Information about the authorized capital and equity of the company according to the financial statements.

The authorized capital is KZT 107,245,972 thousand (one hundred and seven million two hundred and forty-five thousand nine hundred and seventy-two).

The equity is KZT 128,417,693 thousand (one hundred and twenty-eight million four hundred and seventeen thousand six hundred and ninety-three).

4. Name of the mass media used by the company to notify of shares offering to the unlimited range of investors indicating the notification date.

The shares were placed under the founders' (the sole founder's) pre-emptive right to purchase the company's securities. The mass media did not publish the information about the shares placement and payment of dividends, as shares were placed among a limited number of investors (under the pre-emptive right of the sole founder to purchase the company's securities).

4-1. The way the company informed its shareholders of the offer to purchase the placed shares under their pre-emptive right with regard to the company's securities using one of the following ways stipulated in the Charter of the Company:

1) an individual written notice indicating the date of the dispatch of the notice and the date of its receipt by the shareholder:

The individual written notice to the sole shareholder of the company - Samruk-Kazyna Sovereign Wealth Fund was sent by letter No. 22-01-08/6563 dated 4 September 2008 regarding 935,000 (nine hundred and thirty-five thousand) shares. Date of receipt of the notice - 4 September 2008.

2) publication of the said offer in the mass media indicating the name of mass media and date of publication.

No.

5. Information about shares:

1) the total number of authorised shares is 238,324,377 (two hundred and thirty-eight million three hundred and twenty-four thousand three hundred and seventy-seven) including:

- ordinary shares amounting to 238,324,377 (two hundred and thirty-eight million three hundred and twenty-four thousand three hundred and seventy-seven).

- preferred shares - no.

2) the guaranteed amount of dividends on preferred shares no preferred shares;

3) no convertible shares.

6. Date of adoption and approval of the internal document of the company on the auction or subscription terms and procedures.

The internal document on the auction or subscription terms and procedures was not adopted. The shares were placed under the pre-emptive right to purchase the company's securities pursuant to Article 16 of the Law of the Republic of Kazakhstan 'On Joint-Stock Companies'.

KEGOC was established in accordance with Resolution of the Government of Kazakhstan No. 1188 dated 28 September 1996 whereunder the public property of the National Power Grid 'Kazakhstanenergo' was transferred to the authorized capital of the Company. The Government of the Republic of Kazakhstan is the founder of the Company. In accordance with Decree No. 56 of the President of the Republic of Kazakhstan dated 28 January 2006 'On Measures on Further Protection of Government Interests in Management of Public Sector of Economy', Kazakhstan Holding for Management of State Assets Samruk has become the sole shareholder of KEGOC (hereinafter - Holding Samruk) since 28 January 2006. Pursuant to Resolution of the Government No.1164 dated 5 December 2008 Samruk-Kazyna Sovereign Wealth Fund became the sole shareholder of KEGOC.

In accordance with Government Resolution No. 1587 dated 20 October 2000 'On the list of entities of state property that are not subject to privatization' KEGOC's shares cannot be privatized and, accordingly, soled on the securities market.

KEGOC's property includes 220, 500 and 1,150 kV transmission lines, substations and switchgears providing interstate and (or) an interregional electricity transmission, power delivery from power plants which form the national power grid and in accordance with the Law of the Republic of Kazakhstan 'On Electric Power Industry' cannot be privatized and go through preliminary stages of privatization.

7. If the company's shares were included in the official list of the stock exchange, please specify the date of their inclusion.

The company shares were not included in the list of trade organizer.

8. Information about the shares placement:

1) Date of the beginning of the reporting period of shares placement - 28 January 2013. Date of the end of the reporting period of shares placement - 27 July 2013.

2) Date of approval of the previous report(s) indicating the placement period, the number of placed shares and the amount of their payment separately for each previous reporting period of shares placement, and the dates of informing of non-placement of shares.

- The report on the results of placing the first issue of shares in the amount of

7 7,406,963 (seven million four hundred and six thousand nine hundred and sixty-three) ordinary shares with the nominal value of KZT 10,000 (ten thousand) was approved on 13 November 1998 by the National Securities Commission of the Republic of Kazakhstan. The shares were paid by the state property in the amount of KZT 74,069,630,000 (seventy-four billion sixty nine million six hundred and thirty thousand).

- The report on the results of shares placement for the period from 09 June 2005 to 21 March 2006 in the amount of 155,624 (one hundred and fifty-five thousand six hundred and twenty-four) ordinary shares with the nominal value of KZT 10,000 (ten thousand) was

approved by the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Institutions on 14 July 2006. The shares were paid by the state property in the amount of KZT 1,556,240,000 (one billion five hundred and fifty-six million two hundred and forty thousand).

- The information on non-placement of shares during the period from 22 March 2006 to 21 September 2006 was communicated to the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on 5 January 2007.

- The information on non-placement of shares for the period from 22 September 2006 to 21 March 2007 was communicated to the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on 1 June 2007.

- The information on non-placement of shares for the period from 22 March 2007 to 21 September 2007 was communicated to the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on 15 January 2008.

- The report on the results of shares placement for the period from 22 September 2007 to 24 December 2007 in the amount of one (1) ordinary share with the nominal value of KZT 10,000 (ten thousand) was approved by the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Institutions on 15 January 2008. The payment was made in cash in the amount of KZT 10,000 (ten thousand).

The report on the results of shares placement for the period from 18 July 2008 to 27 January 2009 in the amount of 723,000 (seven hundred and twenty three thousand) ordinary shares with the nominal value of KZT 10,000 (ten thousand) was approved by the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Institutions on 31 March 2009. The payment was made in cash in the amount of KZT 7,230,000,000 (seven billion two hundred and thirty million).

- The report on the results of shares placement for the period from 28 January 2009 to 27 July 2009 in the amount of 269,000 (two hundred and sixty nine thousand) ordinary shares with the nominal value of KZT 10,000 (ten thousand) was approved by the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Institutions on 07 October 2009. The payment was made in cash in the amount of KZT 2,690,000,000 (two billion six hundred and ninety million).

- The report on the results of shares placement for the period from 28 July 2009 to 27 January 2010 in the amount of 1,969,709 (one million nine hundred and sixty nine thousand seven hundred and nine) ordinary shares with the nominal value of KZT 10,000 (ten thousand) was approved by the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Institutions on 07 March 2010. The payment was made in cash in the amount of KZT 19,697,090,000 (nineteen billion six hundred and ninety-seven million and ninety thousand).

- The information on non-placement of shares for the period from 28 January 2010 to 27 July 2010 was communicated to the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on 26 August 2010.

- The information on non-placement of shares for the period from 28 July 2010 to 27 January 2011 was communicated to the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on 18 February 2011.

- The report on the results of shares placement for the period from 28 January 2011 to 27 July 2011 in the amount of 60,000 (sixty thousand) ordinary shares with the nominal value of KZT 10,000 (ten thousand) was approved by the Committee for the Control and Supervision of the Financial Market and Financial Organizations of the National Bank of Kazakhstan on 14 September 2011. The payment was made in cash in the amount of KZT 600,000,000 (six hundred million).

- The information on non-placement of shares for the period from 28 July 2011 to 27 January 2012 was communicated to the Committee for the Control and Supervision of the Financial Market and Financial Organizations of the National Bank of Kazakhstan on 20 February 2012.

- The information on non-placement of shares for the period from 28 January 2012 to 27 July 2012 was communicated to the Committee for the Control and Supervision of the Financial Market and Financial Organizations of the National Bank of Kazakhstan on 15 August 2012.

- The report on the results of shares placement for the period from 28 July 2012 to 27 January 2013 to the amount of 100,000 (one hundred thousand) ordinary shares with the nominal value

10 KZT 10, 000 (ten thousand) was approved by the Committee for the Control and Supervision of the Financial Market and Financial Organizations of the National Bank of Kazakhstan on 15 March 2013. The payment was made in cash in the amount of KZT 1,000,000,000 (one billion).

- Amendments to the report on shares placement were approved by the Committee for the Control and Supervision of the Financial Market and Financial Organizations of the National Bank of Kazakhstan on 22 April 2013.

3) Date of approval by the Board of Directors of the number of placed shares in the reporting period and prices of their placement.

The decision of Samruk-Kazyna Sovereign Wealth Fund, the sole shareholder of the Company, to place 806,000 (eight hundred six thousand) ordinary shares of the Company within the number of authorized shares at the offering price of KZT 500 was adopted at the meeting of the Board of Directors of KEGOC on 29 August 2008 (minutes No.7).

4) The number of placed shares during the reporting period and unplaced shares by types.

The amount of placed shares - 0 (zero) ordinary shares.

The amount of unplaced shares - twenty three million eight hundred and thirty-two thousand four hundred thirty-seven (23,832,437) ordinary shares.

5) The number of repurchased shares as at the end of the reporting period on the initiative of the company and/or at the request of shareholders indicating the repurchase price of one ordinary and preferred shares, the date of the decision to repurchase shares, and the expenses incurred by the company to repurchase the placed shares (for each repurchase type separately). The date of approval by the general meeting of shareholders of Methodology for determination of share price for repurchase by the company.

Shares have never been repurchased, the decision to repurchase shares was not taken.

The Methodology for determination of share price for repurchase by the company was approved by Order of the sole shareholder - Samruk Holding No. 122-п dated 12 September 2007.

9. Methods of placement (sale) of shares in the reporting period:

Methods of placement (sale) of shares in the reporting period of shares replacement by

using:

1) the re-emptive right indicating the type, the number of shares or other securities convertible into ordinary shares of the company, the offering price and the amount of payment:

The shares were placed under the pre-emptive right of the sole shareholder - Samruk-Kazyna Sovereign Wealth Fund, to the amount of 806,000 (eight hundred and six thousand) ordinary shares at the offering price KZT 500 (five hundred). The payment amount was KZT 403,000,000 (four hundred and three million);

2) subscription on the established or over-the-counter

markets:

among the founders (for newly established companies), indicating the type, the number of shares, the nominal value of shares and the amount of payment:

No.

placement among other investors indicating the type, the number of shares, the offering price and the amount of payment;

No.

3) auction:

on the established securities market indicating the type, the number of shares, the total amount of payment, the date of the first and last trades, the lowest and the highest offering price of one share at the auction during the reporting period, the market value of one ordinary and preferred shares for the reporting period (if it was calculated):

No.

on the over-the-counter securities market indicating the date of the auction, the type, the number of shares and the total amount of payment:

No.

4) conversion of securities and (or) the monetary liabilities of the company into the shares of the company indicating the number of convertible securities, the date of the securities conversion, either by placing derivative securities in a foreign country (specifying the name of derivative securities, the number of shares offered by placing derivative securities, the amount of shares offered for purchase on the securities market of the Republic of Kazakhstan, and the state under the law of which the placement of derivative securities was performed).

No.

10. The shares payment method indicating the number of shares and the payment amount:

1) money (specify details of the payment document (payment documents) confirming the shares payment by founders (investors), the payment amount and the payer's name):

Payment order No. 34069484 dated 20 May 2013 in the amount of KZT 403,000,000 (four hundred and three million).

Payer - Samruk-Kazyna Sovereign Wealth Fund JSC.

2) securities (specify the name of the securities issuer, its address, national identification number of securities, their quantity, who prepared the valuation report, the date of report preparation, the amount of valuation, date of transaction registration):

No.

3) the intellectual property right (specify who prepared the intellectual property evaluation report, the date of report preparation, the amount of evaluation, information about an intellectual property transfer and acceptance certificate):

No.

4) the accounts payable redemption agreement (specify the creditor's authority that made a decision on debt redemption as payment for shares, the date of such decision, details of the closing balance reconciliation list, who prepared the claims evaluation report, the date of its preparation, the evaluation amount):

No.

5) other proprietary rights (specify who prepared the evaluation report, the date of its preparation, the amount of evaluation, delivery acceptance report for assets):

No.

6) Other means:

No.

10-1. Information about underwriters (underwriting consortium) of the company's shares issue.

The issue and placement of the Company's shares did not engage the underwriter services. During the reporting period, not engaging the underwriting services, - 806,000 (eight hundred and six thousand) ordinary shares were placed.

11. Information about the price of option exercise.

Options for the Company's shares were not concluded.

11-1. Information about the history of market and balance values of shares

If the company's shares are traded on the established securities market, the highest and lowest market price of shares for the last three completed years broken by years, for the last two completed years - by quarters, and for the last six months from the date of shares issue prospectus shall be specified.

Information about the history of the book value of shares shall contain the book value of shares for the last three completed years broken by years, for the last two

completed years - by quarters, and the last six months before the date of termination of the shares placement period (as of the first day of the month).

The Company's shares were not traded on the stock exchange and did not participate in trades. In this regard, the market value of shares was not determined.

The book value of shares for the last three years was as follows:

Year		Book value of shares (KZT per one share)
2010		10,637.08
2011		11,139.07
2012		11,664.31
2011	Quarter 1	10,982.22
	Quarter 2	11,102.25
	Quarter 3	11,148.17
	Quarter 4	11,323.64
2012	Quarter 1	11,565.18
	Quarter 2	11,670.04
	Quarter 3	11,607.39
	4 quarter	11,814.64
2013	January	11,887.95
	February	12,142.96
	March	12,001.12
	April	601.31
	May	607.79
	June	602.67

12. Information about payment of dividends:

1) The date of the last dividend payment with the number of shareholders who were paid the dividends, indicating the total amount of accrued and paid dividends on ordinary and preferred shares (the amount of tax charged and paid to the budget) for the financial year, with reference to the details of minutes of general meeting of shareholders during which the respective decision was made.

Net income of KEGOC for 2012 amounted to KZT 6,941,029, 000 (six billion nine hundred and forty-one million twenty-nine thousand). As per minutes of the sole shareholder, Samruk-Kazyna Sovereign Wealth Fund, No.12/13 dated 29 March 2013 the Company's net income for 2012 was distributed as follows:

- To pay dividends - 30% to the amount of KZT 2,082,309,000 (two billion and eighty two million and three hundred and nine thousand);
- To leave at the disposal of KEGOC - 70% to the amount of KZT 4,858,720,000 (four billion eight hundred fifty-eight million seven hundred and twenty thousand).

On 11 April 2013 KEGOC paid dividends to the sole shareholder - Samruk-Kazyna Sovereign Wealth Fund in the amount of KZT 2,082,309,000 (two billion eighty two million three hundred and nine thousand).

The total amount of accrued and paid dividends on ordinary shares made KZT 2,082,309,000 (two billion eighty two million three hundred and nine thousand).

In accordance with the Tax Code of the Republic of Kazakhstan the income tax on dividends shall not be paid.

1-1) The name of mass media used to publish the notification about payment of dividends indicating the date of the notification publication:

There was no notification about shares placement in the mass media.

1) The size of the accrued and paid dividends per ordinary and preferred share, as well as the amount of net income per ordinary and preferred share for the completed financial year.

The size of the accrued and paid dividends per ordinary share amounts to KZT 9.74. Due to the fact that the preferred shares were not issued, there was no accrual and payment of dividends.

The amount of net income per ordinary share as at the end of 2012 made KZT 29.12.

2) If there are arrears in dividends due to late payment, indicate their reasons and the amount outstanding on the date of the end of the shares placement period and specify the measures taken by the Company to repay the debt owed to shareholders.

There were no arrears in payment of dividends.

13. Information on the registrar of the Company:

1) The name and location of the registrar maintaining the register of the Company's shareholders.

Full name: United Securities Registrar joint-stock company: USR JSC.

Location: 141 Abylai khan Ave, Almaty, Republic of Kazakhstan.

2) Date and number of the contract for keeping the register of the company's shareholders. Contract No. 00725 - AO dated 14 January 2013.

14. Information about the major shareholders as of the date of the end of the shares placement period:

Full name of shareholders - legal entity or name, surname and, if available, patronymic of shareholders - individuals	Name and details of the identity document of the shareholder - an individual, or number and date of state registration (re-registration) of shareholder - legal entity and its location.	The total number of shares owned by the shareholder indicating the type of shares	The percentage of shares owned by the shareholder to the total number of placed shares indicating the type of shares	The percentage of shares owned by the shareholder to the total number of voting shares
Sovereign Wealth Fund Samruk-Kazyna	No. 32244-1901-AO dated 03 November 2008 8 Kunayev St, Astana, 010000	214,491,940 (two hundred and fourteen million four hundred and ninety one thousand nine hundred and forty) ordinary shares	100% of ordinary shares	100%

15. Name of nominees and the number of the company's shares being at their nominee holding, if the central depository system contains no records of shareholders whose shares are at the nominee holding, owning ten or more percent of the company's placed shares (excluding the shares repurchased by the company) on the date of the end of the shares placement period.

As the central depository system contains the records of shareholders whose shares are at the nominee holding, owning ten or more percent of placed shares of the Company, the item shall not be filled in.

**Chairman of the Management Board of
KEGOC**

**Bakytzhan
Kazhiyev**

Chief Accountant, Head of Accounting
and Tax Department of KEGOC

D. Mukanova