

## WEEK OF STOCK MARKET OF KAZAKHSTAN September 14 - 20

1 US dollar = **142.75** tenge at official rate for the end of the period  
1 US dollar = **142.63** tenge at weighted average rate of the Exchange for the end of the period

### YIELD OF STOCK EXCHANGE INSTRUMENTS

Following is the table that allows to compare investment attractiveness of the financial instruments, which were regularly traded or quoted at Kazakhstan stock exchange (KASE) during September 14 - 20. In parentheses – figures of previous period. Instruments are given in ascending order, based on their attractiveness.

#### Investment attractiveness of stock exchange instruments from September 14 through 20

Financial instrument	Currency	Yield, % APR	Volume of deals, mln KZT	Volume of deals, mln USD
RENTb	USD	15.03 (15.00)	0 ( 0)	0 ( 0)
ALKSb	USD	13.50 (15.11)	0 ( 0)	3.1 (3.1)
KOMBb	USD	13.50 (13.50)	0 ( 0)	0 ( 0)
HSBKb	USD	12.00 (12.00)	0 ( 0)	0 ( 0)
KZOLb	USD	11.71 (12.04)	84.6 (14.0)	592.8 (98.3)
MEKKAM, notes	KZT	*8.45 (8.57)	1,474.4 (370.3)	10,334.2 (2,592.6)
KKGBb	USD	10.13 (10.13)	0 ( 0)	0 ( 0)
TMJLb	USD	10.00 (10.00)	0 ( 0)	0 ( 0)
Euronotes-4	USD	9.66 (9.56)	1,528.8 (2,642.8)	10,715.5 (18,500.9)
Euronotes-3	USD	9.45 (9.46)	18.9 (291.5)	132.3 (2,040.5)
MEKAVM	USD	*9.08 (7.10)	327.7 (77.4)	2,296.8 (541.6)
Repo GS	KZT	*6.37 (5.41)	4,003.0 (3,474.4)	28,058.1 (24,322.0)
TEBNb	USD	8.87 (11.28)	0 (1.4)	0 (10.1)
Euronotes-2	USD	8.83 (9.18)	44.2 (759.0)	309.9 (5,313.5)

**Notes:** yield of KZOLb is calculated as average of the deals, for other corporate bonds as average of offer quotations.

Tenge devaluation rate is estimated at weighted average rate of the main session of KASE in the week by a **negative trend of 2.54% APR.**

The yields, shown here, do not incorporate overhead expenses that are inevitable when conducting operations and fixing profits (commission and tax collections, membership fees etc). Marked by a star are the instruments with less than a year circulation term. Weighted average effective yields are given for them.

### INDICATORS OF INTERBANK DEPOSIT MARKET

Following is the table of mean values of interbank offering rates (KIBOR), calculated by the quotations put out by the banks in the trade system of KASE. The trend reflects the change of the indicator relative to the last day of previous period. Minimum quotation volume is KZT15 mln. The quotations are indicative meaning that participants do not have to conclude deals on given terms.

#### Indicators of Kazakhstan interbank deposit market as of September 20, 4:00 PM ALT and changes during the week

Term	Currency	KIBOR	
		rate	tend
1 week	KZT	<b>7.44</b>	+0.44
2 weeks	KZT	<b>8.15</b>	+0.15
1 month	KZT	<b>8.94</b>	+0.02
2 months	KZT	<b>10.31</b>	+0.17
3 months	KZT	<b>11.25</b>	+0.07

The table illustrates the continuation of a recent weak trend of the growth in the cost of money, which is more apparent for minimal borrowing terms. As the traders note, such movements of the prices are due to two factors. The first is that some market operators are having problems with short-term liquidity before the end of the quarter. Despite a common excess of free funds on the market, this circumstance forces the participants to make a number of deals in interbank deposits at relatively high prices, which affects the average market indicators and perception of the current by the banks as a whole. The second factor is extremely deep fall of the rates of the most popular financial instruments of the National Bank, the notes. This, in turn, makes short money more profitable instrument, demand for them grows, and hence, the rates do as well.

## THE SECURITIES SECTOR (SS)

### Secondary market

During observed period 26 deals amounting to **\$2,064.2 th.** were made in **purchase and sale sector** of the securities on trade floors of Kazakhstan stock exchange (KASE). Relative to previous period (\$1,690.1 th., 26 deals) weekly turnover of the sector increased by 22.1%.

As it were in last week, in terms of deal volumes **common shares of Bank TuranAlem OJSC** (Almaty, official list of securities, category "A", BTAS) were the leaders again, with their proportion in total turnover of securities reaching 50.8%. Then, **bonds of NOC KAZAKHOIL CJSC** (Astana, official list of securities, category "A", KZOLb, 28.7% of the market), the third were **preferred shares of Kazakhtelecom** (Almaty, official list of securities, category "A", KZTKp) - 10.5%. In other instruments the volumes of the deals were insignificant.

The price of AMGZp grew by 42.9% relative to previous successful trades, KZTKp - by 57.1%. The values of other shares did not change. The yield of KZOLb fell from 12.04% to 11.72% APR.

Data on the deals, bid and offer information, as well as description of trade codes are given in the tables.

#### Results of the trades in shares from September 14 - 20

USD per share, unless otherwise specified

Issuer	Securities	Close	WA price	Volume	Best bid	Best offer
Almaty Kus OJSC	ALKS			0	0.15	0.31
Aliuminii Kazakhstana OJSC	ALKZ	0.70	0.70	566	0.70	0.70
Aliuminii Kazakhstana OJSC	ALKZp	*0.42	0.42	78 131	*0.42	*0.42
Aktobemunaigas JSC	AMGZp	*2.00	2.00	2 400	*2.00	*2.00
Bank TuranAlem OJSC	BTAS	70.20	70.20	14 929	70.20	70.20
Bank CenterCredit OJSC	CCBN	1.40		0	1.10	1.40
SHYMKENTPIVO CJSC	CHPV	*3.50	3.50	17 900	*3.50	*3.50
Evroaziatskaya energeticheskaya korporatsiya OJSC	EAECp	*2.45	2.45	6 142	*2.45	*2.45
Halyk Bank of Kazakhstan OJSC	HSBK	*0.91		0	0.91	1.82
Jairemskii GOK	JGOKp	*3.99	3.99	221	*3.99	*3.99
KAZKOMMERTSBANK OJSC	KKGB	0.70		0	0.25	0.50
TNC Kazchrome OJSC	KZCR	*5.60	5.60	1	*5.60	*5.60
TNC Kazchrome OJSC	KZCRp	*2.80	2.51	3 979	*2.80	2.45
Kazakhtelecom	KZTK	15.00		0	15.00	18.00
Kazakhtelecom	KZTKp	11.00	9.96	21 843	11.00	8.50
Mangistaumunaigas OJSC	MMGZp	4.00		0	*3.00	
Rakhat JSC	RAHT			0	*0.42	
SSGPO JSC	SSGPp	*2.80	2.80	23 484	*2.80	*2.80
SHNOS OJSC	SYRG	1.63		0	1.30	
Temirbank OJSC	TEBN	7.39		0	0.70	3.62
UKTMK OJSC	UTMK	*50.00		0	5.00	145.00
UKTMK OJSC	UTMKp	28.00	28.00	480	28.00	28.00

#### Results of the trades in bonds from September 14 - 20

yield for the buyer in % APR till maturity, unless otherwise specified

Issuer	Code	Currency	Last	WA	Volume, th. USD	Best bid	Best offer
Almaty Kus OJSC	ALKSb	USD	15.13		0.00	14.87	13.79
Halyk Bank of Kazakhstan OJSC	HSBKb	USD	12.66		0.00	12.61	12.00
NOC Kazakhoil CJSC	KZOLb	USD	11.72	11.71	592.80	11.34	11.72
Kazakhstan Temir Joly NSE	TMJLb	USD	10.82		0.00	10.50	10.00
KAZKOMMERTSBANK OJSC	KKGBb	USD	12.76		0.00	13.58	10.13
Komirbank OJSC	KOMBb	USD	14.50		0.00	16.50	13.50
RENATA LLP	RENTb	USD			0.00		*15.03
Temirbank OJSC	TEBNb	USD	11.28		0.00	12.05	8.89

**Notes:** bid and offer prices are given for the period; if no deals were made during reporting period (volume =0), the last price of successful trades will be given; marked by a star are indicative quotations in Quotation trade system of KASE unlike the bids submitted in regular trade mode, or the price of direct deals.

In **securities repo sector** no deals were made during analyzed week. At the end of analyzed period still **four** indexed securities repos were opened for a total of **\$1,540.7 th.** on the trade floor of the Exchange. Common shares of Bank CenterCredit OJSC were used as an object of repo.

### Capitalization

For **September 20, 2000** total capitalization of the companies, whose shares are traded on the securities exchange market of Kazakhstan, equaled **\$1,333.8 mln** or KZT190.2 bln at tenge to dollar rate of the Exchange, effective on that date. During the week this number grew by \$2.4 mln in terms of dollars caused by entering common shares of Vostok-Tsement OJSC and Jambylgips CJSC into trade lists of the Exchange (see below) and increase in the values of the shares traded during the week (see above).

The capitalization of the exchange market of corporate bonds (total face value of the bonds that were entered into trade lists of KASE) is estimated at **\$100.3 mln** as of September 20 or **KZT14,302.9 mln.**

## Securities lists

Based on the application of the Kazakhstan stock exchange (KASE) trade member **from September 20** of current year common inscribed shares of **Vostok-Tsement OSJC** (Almaty, KZ1C03180410, trade code - **VSZM**) and common inscribed shares of **Jambylgips CJSC** (Taraz, KZ1C00030816, trade code - **JMGP**) were admitted to the trades in "Non-listed securities" sector under the second admittance category:

Common inscribed shares of Jambylgips CJSC were admitted to the KASE trades due to the fact that the company has 9,159 common shares in its re-issue account which were forcefully bought back by the employees from one of the shareholders based on the court's decision. By the decision made at general shareholders meeting, which was held on July 21, 2000, the shares bought back forcefully are subject to the distribution among remaining shareholders in accordance with the proportions of the shares owned by them, and therefore, these securities can be sold on non-listed securities sector of the Exchange by using direct counter trade mode, that is, can be sold to predetermined person which is considered private placement.

## CHANGE IN LEGAL BASE

Based on the decision of the Board of the KASE, from September 19, 2000 new normative document of the Exchange "**The obligations and the rights of Kazakhstan Stock Exchange CJSC members of category "K" who possess the status of a market-maker in the Sector of small lots of GS issued by the Ministry of Finance of Kazakhstan**" will go into effect.

Previously, only euronotes of the third and fourth issues could be traded in the sector of small lots (SSL). SSL sector allows to organize the trade for retail investor (legal entities and private persons not specializing in the professional market). Euronotes market-makers are Demir Kazakhstan Bank OJSC and State Accumulative Pension Fund CJSC correspondingly. Their activity is regulated by normative document of KASE.

The present document regulates activity of market-makers of domestic GS of the Ministry of Finance only (MEKAM, MEAKAM, MEOKAM, MEKKAM and MEIKAM of different types and maturity; MEKAVM and NSB) only at the SSL. Now, retail investor can make the deals at the KASE not only in the euronotes, but also in any GS of the Ministry of finance, if some KASE members wish to act as a market-maker of these securities.

More detailed information regarding the terms of making such deals, as well as the rights and obligations of the market-makers of domestic GS of the Ministry of finance in SSL sector can be found at the web-site of the Exchange ([www.kase.kz](http://www.kase.kz)).

## SECTOR OF GOVERNMENT SECURITIES (GS)

### Secondary market

In **GS purchase and sale sector** of KASE total volume of **85 deals** equaled **KZT3,398.1 mln**, whereas in previous week the turnover equaled KZT4,186.9 mln with 61 deals made.

Parameters of stock exchange transactions in **SS** from September 14 - 20

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, mln tenge discounted	Number of deals
	min	max	last deal	weighted average		
<b>Discounted GS: MEKKAM-3, 6, 12, notes</b>				<b>43.4% (8.8%) of purchase and sale sector's turnover</b>		
8 – 14	6.99	7.56	7.40	7.54 ( – )	32.9	4
15 – 28	7.29	7.65	7.31	7.40 (7.27)	86.5	3
29 – 36	7.33	7.85	7.85	7.67 (7.46)	55.1	3
37 – 42	7.59	7.80	7.80	7.80 ( – )	50.3	5
43 – 56	7.86	7.86	7.86	7.86 (7.65)	2.8	1
57 – 63	7.80	8.08	7.87	7.94 (7.66)	184.4	7
64 – 91	3.95	9.54	3.95	4.42 (8.00)	246.7	3
92 – 181	8.99	9.81	9.46	9.34 (9.08)	689.3	9
182 – 364	11.12	11.50	11.12	11.14 (11.50)	126.4	2
Total					1,474.4 (370.3)	37 (27)
<b>Discounted indexed GS: MEKAVM-6, 9, 12</b>				<b>9.6% (1.8%) of purchase and sale sector's turnover</b>		
8 – 14	7.00	7.00	7.00	7.00 ( – )	18.5	1
29 – 36	7.70	8.15	8.15	8.06 (7.49)	119.6	7
43 – 56	7.70	7.70	7.70	7.70 ( – )	1.4	1
92 – 181	8.80	10.04	8.94	9.50 ( – )	188.2	14
Total					327.7 (77.4)	23 (6)
<b>Coupon GS: MEOKAM-36</b>				<b>0.1% (1.1%) of purchase and sale sector's turnover</b>		
1,084 - 1,085	18.80	18.80		18.80 (18.81)	4.2	2
Total					4.2 (45.8)	2 (1)

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Second part of the table

**Parameters of stock exchange transactions in SS from September 14 - 20**

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.					Volume, mln tenge discounted	Number of deals
	min	max	last deal	weighted average			
<b>Euronotes of Kazakhstan, USD</b>							
<b>46.8% (88.2%) of purchase and sale sector's turnover</b>							
*738	8.83	8.83	8.83	8.83 (9.18)	44.2	1	
**1,468 – 1,470	9.44	9.46	9.44	9.45 (9.46)	18.9	3	
***2,391 – 2,397	9.53	9.77	9.77	9.66 (9.56)	1,528.8	19	
Total					1,591.9 (3,693.4)	23 (27)	
<b>SUBTOTAL</b>						<b>3,398.1 (4,186.9)</b>	<b>85 (61)</b>

**Notes:** for euronotes (\* - second issue, \*\* - third issue, \*\*\* - fourth issue) volumes of the deals are calculated at weighted average USD/KZT rate of the Exchange. Volumes for indexed domestic GS are calculated considering official rate of USD/KZT.

The table shows that the decline in turnover was solely due to a shrinkage of the euronotes sector. Very low yields of these securities when the tenge is firming systematically and long terms till the maturity make the participants of the market to shift their interests to adjacent sectors such as domestic GS, whose yields, as a matter of fact, are higher than those at the auctions, and circulation terms are much shorter. Short circulation term is the reason for a great interest in MEKAVM which are not issued by the Ministry of finance any more. Despite an actually low yields, these securities are in demand due to upcoming lack of short-term bonds.

**In GS repo sector 101 deals for a total of KZT7,870.2 mln** were made during the period. Of this number 54 deals (for KZT4,003.0 mln) were repo opening deals and 47 (KZT3,867.1 mln) were repo closing deals. Last week total turnover of this sector of the market was at KZT7,723.0 mln.

**Parameters of repo opening deals in SS at KASE from September 14 - 20**

(in parentheses – comparable figures for previous period)

Opening date	Term of repo, days	Currency	Amount raised, mln KZT	WA yield, % APR	Number of deals
Sep.14, 00	1	KZT	45.1	7.57	2
Sep.15, 00	3	KZT	815.9	5.16	14
Sep.15, 00	5	KZT	107.0	5.00	3
Sep.18, 00	1	KZT	107.0	4.64	3
Sep.18, 00	2	KZT	186.5	5.90	3
Sep.18, 00	7	KZT	64.3	7.45	2
Sep.19, 00	1	KZT	608.9	4.22	6
Sep.19, 00	8	KZT	84.5	7.40	2
Sep.19, 00	31	KZT	1,000.0	5.50	2
Sep.20, 00	1	KZT	838.8	9.33	12
Sep.20, 00	2	KZT	66.0	6.50	3
Sep.20, 00	7	KZT	50.1	7.20	1
Sep.20, 00	9	KZT	29.0	7.40	1
<b>TOTAL</b>			<b>4,003.0 (3,474.4)</b>		<b>54 (38)</b>

Clear cut increase in the cost of the very short money should be mentioned here, whose reasons were explained above (see indicators of interbank deposit market).

After closing of the trades on September 20 total amount of opened repo equaled **KZT9,481.9 mln**. Current weighted average rates as of September 20 (% APR) equaled: for **1 day** (KZT838.8 mln) – **9.33**; for **2 days** (KZT66.0 mln) – **6.50**; for **7 days** (KZT114.4 mln) – **7.34**; for **8 days** (KZT84.5 mln) – **7.40**; for **9 days** (KZT29.0 mln) – **7.40**; for **21 days** (KZT2,150.0 mln) – **5.53**; for **24 days** (KZT1,100.0 mln) – **5.50**; for **25 days** (KZT2,000.0 mln) – **5.50**; for **28 days** (KZT1,700.0 mln) – **5.79**; for **29 days** (KZT399.3 mln) – **9.93**; for **31 days** (KZT1,000.0 mln) – **5.50**.

**Total of 186 deals** amounting to **KZT11,268.3 mln** were made in GS on trade floors of KASE during last period (purchase and sale and repo sector). Last week volume of 145 deals was KZT11,909.9 mln.

In this week **proportion of the stock market turnover** in total volume of deals on Kazakhstani secondary market for GS for comparable operations (including euronotes and repo operations) equaled **68.1%**, for last week it was 80.8%.

**INFORMATION ON THE COMPANIES**

**NOC Kazakhoil CJSC** (Astana, official list of securities, category “A”) provided the Kazakhstan stock exchange (KASE) with unconsolidated financial statements for the I half of 2000 (balance sheet, income and cash flow statements), as well as major indicators of its main subsidiaries for this period of time: Uzenmunaigas OJSC, Kazakhoil-Emba OJSC and Atyrauskii NPZ OJSC (Atyrau refinery).

Based on the documentation, major indicators of NOC Kazakhoil CJSC and three of its companies look as follows (please the table).

**Comparable indicators of NOC KAZAKHOIL CJSC and its three subsidiaries by the results of the I half of the year 2000**

in mln KZT, unless otherwise specified

Indicator	6 months	6 months	Change, %
	2000*	1999	
<b>NOC Kazakhoil CJSC</b>			
Sales income	3 674	917	+300,7
Production expenses	1 119	723	+54,8
Net income (loss)	2 045	156	+1 210,9
Average number of employees	305	241	+26,6
Payments made to the budget and off budgetary funds	2 404	249	+865,5
Accounts receivable	12 277	10 563	+16,2
Accounts payable	12 540	9 098	+37,8
including to the budget	3 577	3 593	-0,4
Capital investments	1 545	533	+189,9
<b>Uzenmunaigas OJSC</b>			
Production, th. tons	1 721	1 527	+12,7
Average price of 1 ton oil, KZT	14 438	5 928	+143,6
Production cost of 1 ton oil, KZT	5 038	2 220	+126,9
Sales	26 699	11 217	+138,0
Production expenses	20 073	10 017	+100,4
Net income (loss)	4 638	840	+452,1
Average number of employees	6 567	6 182	+6,2
Payments made to the budget and off budgetary funds	4 861	1 216	+299,8
Accounts receivable	1 703	2 256	-24,5
Accounts payable	4 691	3 040	+54,3
including to the budget	2 028	543	+273,5
Capital investments	2 640	386	+583,9
<b>Kazakhoil-Emba</b>			
Production, th. tons	1 121	1 130	-0,8
Average price of 1 ton oil, KZT	14 375	6 355	+126,2
Production cost of 1 ton oil, KZT	4 508	2 389	+88,7
Sales	15 233	7 773	+96,0
Production expenses	10 556	6 464	+63,3
Net income (loss)	4 496	188	+2 291,5
Average number of employees	6 142	6 219	-1,2
Payments made to the budget and off budgetary funds	4 406	1 619	+172,1
Accounts receivable	1 385	1 952	-29,0
Accounts payable	1 028	1 303	-21,1
including to the budget	322	774	-58,4
Capital investments	2 754	388	+609,8
<b>Atyrauskii NPZ</b>			
Processing volume, th. tons	1 104	699	+57,8
Sales	3 019	1 795	+68,2
Production expenses	2 163	2 174	-0,5
Net income (loss)	765	-379	-
Average number of employees	1 687	1 679	+0,5
Payments made to the budget and off budgetary funds	2 044	434	+371,0
Accounts receivable	1 360	1 893	-28,2
Accounts payable	386	1 024	-62,3
including to the budget	343	2 190	-84,3
Capital investments	203	115	+76,5

\* – preliminary estimates.

Coupon bonds of NOC KAZAKHOIL CJSC (KZ72LAG56A20, trade code - KZOLb) were entered into official list of the Exchange under category "A" on May 19, 2000. The issue is \$25.0 mln, face value of the bond - \$100, coupon rate is 9% APR, payment frequency is semiannual, circulation term is 2 years.

**Uzenmunaigas OJSC** (the share of NOC KAZAKHOIL CJSC - 90%) - oil and gas production company that develops 2 oil and 6 gas sites, including major sites like Karamandybas and Uzen - the third largest hydrocarbon sites in Kazakhstan. As of January 1, 2000 total production reached 268 mln tons of oil from the beginning of development works, which makes 58% of initial extractable reserves. Residual geological and extractable reserves equal 789 and 198 mln tons, respectively. There are total of 5,537 wells. Daily oil production is 8,282 tons.

**Kazakhoil-Emba OJSC** (the share of NOC KAZAKHOIL CJSC - 85%) - oil and gas production company founded in June of 1999 by merging 6 oil and gas companies, Jaikneft, Dossorneft, Makatneft, Kainarmunaigas, Kulsaryneft, Prorvanefit that develop 33 oil and gas sites. As of January 1, 2000 residual extractable oil reserves equaled 87.9 mln tons, that of gas - 29.9 bln cubic meters, dissolved gas - 5.4 bln cubic meters, condensate - 1.51 mln tons.

**Atyrauskii NPZ** (Atyrau oil refinery) (the share of NOC KAZAKHOIL CJSC - 86%) is the oldest of three oil refineries of Kazakhstan. Production capacity of the plant is 5 mln tons of oil a year with 59% processing level. During the last 2 years the plant works 40% below its capacity. In 1999 it processed 1.9 mln tons of oil. On August 10, 2000 NOC KAZAKHOIL CJSC and Japanese Marubeni Corporation signed a framework agreement on reconstructing the plant with would cost \$308 mln, excluding fees and taxes. In this year the government intends to include the matter on provision of the Japanese loans with its warranty into the budget 2001.

Besides, NOC KAZAKHOIL OJSC issued press-release on results of the company's financial activity for the eight month of current year.

The press release states that company's oil production achieved 4 mln tons for January-August or 106% to the corresponding period of 1999.

The statement stressed particular attention to the fulfillment of company's liabilities to the government budget. It also described its activity on satisfaction of oil product demand on the domestic market according to the corresponding government program.

For instance, the press release informs that NOC Kazakhoil is one of the biggest taxpayers for the government budget. For July-August the volume of tax assignments increased by KZT5 bln. NOC KAZAKHOIL OJSC together with associated companies assigned KZT19.608 bln in taxes for the year that is 3.8 times higher than corresponding figure of previous year. The increase in profits is a result of oil prices growth.

In line with government program of satisfaction of the oil product demand on the domestic market, NOC Kazakhoil OJSC over-fulfilled its obligations. For instance, Atyrau Oil Refining Plant (ORP) monthly increases oil processing volumes. In August, the volume totaled 1.5 mln tons compared to 1.287 mln in July. The growth is 140.5% to the corresponding period of previous year. Besides, the royalty in natural form of 61 th. tons of oil was paid to the government.

The press-release notes that volume of foreign shipping including CIS countries reached 2.231 mln tons or 59%. NOC Kazakhoil invested KZT11.554 mln on development of production and social sphere.

**Almaty Kus OJSC** presented KASE brief outlook of company's economic activity for July-September, 2000. The company's securities were admitted into official list of KASE, category "A" on Apr 11, 2000.

Based on presented materials:

**On July 24, 2000** Almaty region justice department registered Kombikormovii Zavod OJSC (Feed mill) (previously - Kapchigaiskii Kombikormovii Zavod). The plant was organized as independent legal company. It was designed to provide supplies to battery plants with high quality stems.

**On August 1, 2000** in accordance with the decision of General meeting of shareholders dated June 24, 2000, Almaty-Kus OJSC increased authorized capital to KZT1.1 bln. Company additionally issued ordinary registered shares for a total of KZT400 mln at KZT10 face value. National Securities Commission (NSC) awarded the issue with following National Identification Number - KZ1C316905X8. In total for two issues, announced authorized capital totaled KZT1.1 bln. The emission was closely distributed among shareholders of Almaty-Kus OJSC and Agroservice LLP.

**On September 5, 2000** new feed mill plant was put in force after reconstruction and modernization. The plant's production effectively decreased price for mixed fodder and increased its quality. There was achieved a rise in productivity of farms and decrease in eggs' cost.

**On September 5, 2000** the company signed a contract over auditing service with Kazexpertaudit. This helped conduct stocktaking and independent assessments of company's value and its contribution to authorized capital.

**In September**, company jointly with German "Buhler" started modernization of egg powder plant. New projects on egg-powder market penetration were also implemented.

Also:

- Kaskelen, Chapai and Abai battery farms undertook efforts to increase production of supper and extra grade eggs. The portion of mud eggs decreased considerably.
- The development of new sales network was fully completed. This system is very flexible and self-developing. Commercial branch establishment Tamerlan Trading LLP is responsible for the risks, packaging and sales costs. It also buys all produced production from the farms.
- The company concluded a deal on distributorship with Ust-Kamenogorsk battery farm.

### **Financial activity**

The funds (\$4.5 mln) from the first issue of Almaty-Kus bonds was distributed as follows: restructuring and expansion (Avatov farm construction) - \$1.4 mln; creation of feed stock and reconstruction of mixed fodder plant \$1.1 mln; acquisition of Food Brothers LPP equipment (vacuum packaging line, refrigerating facility, vacuum packing) - \$0.7 mln.; another \$1.3 mln are still being developed.

## **Production activity**

The launching of Avat batter farm is planned on Oct 01, 2000. At present, following tasks were implemented:

- all necessary communication was set up (electricity lines, water-supply, telecommunications, sewerage and heating systems);
- two poultry-yards was completed, another 5 will be due on launching day;
- repair, joiner and electro-shops fully reconstructed;
- 3 years tax deferments was received;

By Dec 31, 2000, the company will acquire 150,000 cubs of poultry from Alatau LLP.

Following tasks are planned in the nearest future:

- put in force new stern store by Oct 01;
- reconstruct slaughter floor;
- reconstruct eggs store;
- modernize and transport facilities.

The main activities of Almaty-Kus are production and trade of poultry farming, leasing. Following securities are admitted to official list of KASE securities, category "A":

- On Apr 03, 2000 - ordinary (KZ1C31690513, trade code - ALKS) and preferred (KZ1P31690518, trade code ALKSp) shares;
- On Apr 07, 2000 - coupon bonds (KZ2C3AF64A13, trade code - ALKSb, issue volume - \$4.5 mln, face value - \$100, coupon rate - 14% APR, coupon - semiannual, maturity - 1 year).

The company has recently launched its first Internet web-site containing full description of company's activity.

Address: [www.almatykus.kz](http://www.almatykus.kz).

**Astana-finance OJSC** (Astana, official list of securities, category "B"), in accordance with listing requirements, informed Kazakhstan stock exchange of an extraordinary general shareholders meeting, which will be held on October 5, 2000 with following agenda:

- Decrease in announced authorized capital.
- Approval of the Regulations on Revision commission of the company.
- Approval of the company's auditor.
- Making changes and amendments into the Charter of the company.
- Miscellaneous.

The meeting will be held at: 54, Begeldinov St., Astana. In case of the absence of quorum, the next meeting will be held on October 6, 2000.

**Prepared by the agency «IRBIS»**