

## Kazakh Agrarian Credit Corp. Proposed KZT3 Billion Bond Rated 'BB/kzA+'

**Primary Credit Analyst:**

Boris Kopeykin, Moscow (7) 495-783-4062; boris\_kopeykin@standardandpoors.com

**Secondary Contact:**

Victor Nikolskiy, Moscow (7) 495-783-4010; victor\_nikolskiy@standardandpoors.com

- KACC is issuing a KZT3 billion three-year fixed-coupon bond under its KZT6 billion issuance program for 2011-2012.
- We are rating the bond 'BB/kzA+'.

MOSCOW (Standard & Poor's) March 15, 2011--Standard & Poor's Ratings Services said today that it had assigned its 'BB' long-term debt rating and 'kzA+' Kazakhstan national scale rating to the proposed Kazakhstani tenge (KZT) 3 billion (\$20 million) senior unsecured debt issue to be placed in 2011 by Kazakh Agrarian Credit Corp. (KACC; BB/Stable/B; Kazakhstan national scale 'kzA+'). KACC is a state-owned provider of subsidized credit to agricultural and nonagricultural businesses in rural areas throughout the Republic of Kazakhstan (foreign currency BBB/Stable/A-3; local currency BBB+/Stable/A-2; Kazakhstan national scale 'kzAAA').

KACC is issuing the bond under its KZT6 billion issuance program for 2011-2012. The bond will have a maturity of three years and semiannual coupon payments.

"The ratings on the bond mirror those on the issuer," said Standard & Poor's credit analyst Boris Kopeykin.

The ratings on KACC reflect its stand-alone credit profile, which we assess at 'b', plus our opinion of a "high" likelihood of timely and sufficient extraordinary support from the Kazakh government in the event of financial distress.

RELATED CRITERIA AND RESEARCH

All articles listed below are available on RatingsDirect on the Global Credit Portal, unless otherwise stated.

- General Criteria: Stand-Alone Credit Profiles: One Component Of A Rating, Oct. 1, 2010
- Principles Of Corporate And Government Ratings, June 26, 2007

**Additional Contact:**

International Public Finance Ratings Europe; PublicFinanceEurope@standardandpoors.com

Complete ratings information is available to subscribers of RatingsDirect on the Global Credit Portal at [www.globalcreditportal.com](http://www.globalcreditportal.com). All ratings affected by this rating action can be found on Standard & Poor's public Web site at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column. Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow (7) 495-783-4011.

Copyright © 2011 by Standard & Poors Financial Services LLC (S&P), a subsidiary of The McGraw-Hill Companies, Inc. All rights reserved.

No content (including ratings, credit-related analyses and data, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of S&P. The Content shall not be used for any unlawful or unauthorized purposes. S&P, its affiliates, and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P's opinions and analyses do not address the suitability of any security. S&P does not act as a fiduciary or an investment advisor. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, [www.standardandpoors.com](http://www.standardandpoors.com) (free of charge), and [www.ratingsdirect.com](http://www.ratingsdirect.com) and [www.globalcreditportal.com](http://www.globalcreditportal.com) (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at [www.standardandpoors.com/usratingsfees](http://www.standardandpoors.com/usratingsfees).