

**Explanatory note**

**to the consolidated financial statements**

**of "Atameken Agro" Joint-Stock Company**

**for the half-year of 2012**

**Explanatory note to the consolidated financial statements of the Group of companies "Atameken Agro" Joint-Stock Company for the period of half-year of 2012 includes:**

- 1. General part**
- 2. The information about the basics of participation of the financial statement and aspects of the Accounting policy**
- 3. The information to the consolidated Statement about the financial activity of the Group of companies "Atameken Agro" Joint-Stock Company for the period of half-year of 2012**
- 4. The information to the consolidated Statement about the aggregate income of Atameken Agro" Joint-Stock Company for the period of half-year of 2012**

**The consolidated financial statements for the period of 6 months of 2012 is made in accordance with the Law "On accounting and financial statements" dated February 27, 2008, Accounting policy of the company, International Financial Reporting Standards with changes, inculcated into force from January 01, 2012 by the Tax Code of the Republic of Kazakhstan.**

#### **1. General part**

"Atameken-Agro" JSC (hereinafter referred to as the "Company") was founded on the basis of contributions from the members and operates in accordance with the legislations of the Republic of Kazakhstan. The company provides for its activity on the basis of full cost accounting.

The company was reorganized from "KazAgroTrade +" Limited Partnership and re-registered by the Department of Justice, Astana city, certificate of state re-registration of the legal entity No. 8839-1902-AO dated September 26, 2008 (date of the first registration is September 03,2003).

Legal address of the company: h/c 30, next to the new meat factory, Kokshetau city, Republic of Kazakhstan.

Form of ownership is a private company.  
All assets and liabilities are located on the territory of the Republic of Kazakhstan.  
The company is registered as a taxpayer in the tax committee of Akmola region, TIN is 032 600 218 911.  
Code according to the state qualifier OKPO is 40052544.  
BIN - 080940017289

The main activity in accordance with the Charter of the Company is:

- Manufacture and sale of agricultural products;
- Wholesale of spare parts and agricultural toxic chemicals;
- Providing for the freight forwarding services
- Providing for services of the construction and repair of real property objects

For carrying out trading activities of agricultural toxic chemicals the Company has the state license for the activity of the sale of pesticides (agricultural toxic chemicals) issued by the authority of Astana city on May 29, 2006 under № 0026947, in perpetuity.

The company has the right to engage in activities of grain realization for export on the basis of the State license No. 0005424 series EZ dated October 08, 2007 issued by the State Inspection Committee in the agricultural sector of the Ministry of Agriculture of the Republic

of Kazakhstan, in perpetuity.  
The company has the license GSL dated 05.01.2011 to carry out activities on construction and repair of the real estate objects.

In 2009 full initial public offering of securities in amount of 11 000 000 units is successfully completed, certificate about registration of the bond program № D-12-1 dated August 4, 2008

In 2008 «Atameken Agro» JSC registered the equity issue in amount of 15 000 000 shares of common stock and 5 000 000 shares of preferred stock, the certificate of registration of the shares No.A5707. As of March 31, 2011 it is placed 1 448 457 shares of preferred stock, 9 000 324 shares of common stock and 997 shares of common stock are paid off.

As of June 30, 2012 shareholders of company are :

Adayev N.S.-10,0% - the individual

Sagandykov Zh.T. -8,50% - the individual

Malkov A.V. -9,10% - the individual

Agibayev M.K -9,50% - the individual

Zakaryanov L.L. -3,16 – the individual

Savchuk T.V. - 4,66% - the individual

Sapulatov K.A.- 3,16% - the individual

Dzhahutashvili Sh.G.-4,0% - the individual

Beisembayev T.C.-2,46% - the individual

Moldagaziyeva G.F.- 6,43% - the individual

Belkebayev G.K.- 4,44% - the individual

Islamov E.K.-5,56% - the individual

Other individuals - 8,91%

"Management Company" Alem " JSC - 0,12%- legal entity

«NPF (National Pension Fund) “ Ular Umit “-10% JSC - legal entity

Ailemis Limited - 10,0%

"Agro Atameken" JSC has subsidiaries:

	Share of participation on June 30, 2012	Share of participation on на December 31, 2011
"Atameken Agro Timiryazevo" LLP	91,50%	91,50%

"Atameken Agro Tselinnyi" LLP	90,34%	90,27%
"Atameken Agro Korneevka" LLP	99,78%	99,78%
"Atameken Agro Shukyrkol" LLP	94,72%	94,72%
"Sagat SK" LLP	95,61%	95,59%
"Atameken Agro Story" LLP	100%	100%

## 2. Basis of participation of the financial statements

Statement about the correspondence of IFRS. The Group prepares the consolidated financial statements in accordance with the International Financial Reporting Standards ("IFRS") adopted by the Board Committee on International Accounting Standards Board ("IASB"), consisting of:

International Financial Reporting Standards (IFRS); International Financial Reporting Standards (IAS); and explanations prepared by the Committee on International Financial Reporting Interpretations (KRMFO) or the former Standing Interpretations Committee (SIC).

This consolidated financial statements for the period ended on September 30, 2011 is prepared in accordance with the requirements of IFRS; statements include all information and disclosures. Required disclosures in the consolidated financial statements shall be read in conjunction with the consolidated financial statements of the Group as of December 31, 2011.

During the preparation of the consolidated financial statements in accordance with the IFRS, the management used their professional judgment, assumptions and calculated estimations related to the issues of assets reflection and liabilities, as well as disclosure of information about contingent assets and liabilities. Actual results can be different from these estimates. The assumptions and calculated estimations made on the basis of them are continually analyzed for the need to change them. Changes in accounting estimates are recognized in the period when these estimates were revised and in all future periods affected by these changes.

The consolidated financial statements include the following components:

1. Statement about the financial position;
2. Statement about the aggregate income;
3. Statement about the cash flows;
4. Statement about the changes in capital;
5. Explanatory note.

### *The principle of making of the consolidated financial statements*

The consolidated financial statements of the Group shall be prepared on an accrual basis. According to this principle, results of operations and other events are recognized on the fact of their commission, and not when monetary assets or their equivalents are received or paid. They are reflected in the accounts and are included in the consolidated financial statements in the period to which they are related.

Expenses in the consolidated statement about comprehensive income are recognized on the basis of the principle of correlation that is based on the direct link between costs incurred and revenues on specific items of income. The consolidated financial statements which have been prepared on an accrual basis, inform users not only about last transactions connected with payment and receipt of monetary assets, but as well as the obligations to pay money in future and about resources that represent monetary assets which will be received in future. This fact makes such consolidated financial statements useful to users in making economic decisions.

The financial statements of the Group have been prepared in accordance with the principle of continuity, according to which repayment of obligations runs in the normal course of business. The consolidated information does not include any corrections, which are necessary if the Group was unable to continue its financial and economic activities based on the principle of continuity. Qualitative characteristics are attributes which make presented information in the consolidated financial statements useful to users. The main qualitative characteristics are understandability, relevance, reliability and comparability.

The basis of consolidation is the concept of control, which gives the right to determine the financial and operating policies of the company for the purpose of obtaining of benefits from its activities.

It is supposed that the control can be if the company owns directly or indirectly through subsidiary companies, more than a half of the voting rights of any entities, except exceptional cases when it can be clearly demonstrated that such ownership does not create the control. The consolidated financial statements shall be prepared with the use of corporate accounting policy for analogical transactions and other events in similar circumstances.

If the company of the Group uses accounting policy which is other than the given corporate accounting policy accepted to reflecting in the consolidated financial statements of similar transactions and events in analogical circumstances, the financial statements of this Company shall be corrected in a proper way during preparing of the consolidated financial statements.

During preparing the consolidated financial statements the Company combines its financial statements and financial statements of subsidiary companies line by line by adding together analogical items of assets, obligations, capital, incomes and expenses. Then, in order to the consolidated financial statements can be present financial information about the Group as a single economic entity, the following steps shall be executed:

- a) The carrying value of investments of the Company in each subsidiary company and the share in the capital of each subsidiary company which belong to the Company shall be mutually exclusive;
- b) non-controlling interests in profit or loss of consolidated subsidiaries for the reporting period shall be determined ;
- c) non-controlling interests in net assets of consolidated subsidiaries are determined separately from the share which belong to the shareholders of the Company. Non-controlling interest in net assets consists of:

(i) the value attributable to these non-controlling interests at the date of the initial business of

combination, calculated in accordance with IFRS (IFRS) 3, and (ii) non-controlling interest in changes of the capital of a subsidiary company which happened since the date of the transaction no combination.

Intercompany balances, transactions, incomes and expenses shall be excluded in total amounts. Balances on intercompany estimations and the amounts of intercompany transactions, including incomes, expenses and dividends shall be completely excluded. Incomes and losses resulting from intercompany transactions and recognized in assets cost such as reserves and fixed assets shall be completely excluded.

#### ***Functional currency and currency of statements presentation***

The national currency of Kazakhstan is the Kazakhstani tenge ("KZT"), and the same currency is the functional currency for the Group, and it is used for representing of the consolidated financial statements. All index numbers presented in the consolidated financial statements of the Group are in KZT and shall be rounded to the nearest thousand.

#### ***Transactions in foreign currency***

Transactions in foreign currencies shall be recounted into functional currency of the Group at the exchange rates of the National Bank of the Republic of Kazakhstan ("NBRK") as of the dates of these transactions. Monetary assets and obligations represented in foreign currency at the balance sheet date are recounted into functional currency at the exchange rate of the NBRK which is effective as of that date.

#### ***Monetary assets and equivalents of monetary assets***

Monetary assets include cash on hand and demand deposits. Cash equivalents are short-term high liquid investments, readily convertible to known amounts of monetary assets and are subject to insignificant risk of changes in value.

Monetary assets are a financial asset whereas it represents means of exchange and, so it is the basis on which all transactions are measured and recognized in the financial statements. Cash deposit in a bank or similar financial institution is a financial asset because it represents the contractual right of the Contributor to receive money from this institution, or write a check or analogical instrument on the account balance in favor of the creditor in payment on financial obligation.

In the composition of monetary assets and cash equivalents short-term deposits are included (with maturities up to 3 months), as well as monetary assets which are placed on deposit accounts, easily convertible to a certain amount of cash and are subject to an insignificant risk of changes in value, i.e. assets placed on deposit accounts.

#### ***Financial investments.***

Investment recognition is organized in accordance with the IFRS: 27 "Consolidated Financial Statements and Accounting for Investments in Subsidiary Companies", 39 "Financial Instruments: Recognition and Estimation", 40 "Investments in real estate". Financial investments are financial assets which are used to receive income (interests, dividends and etc.) and increase in investment capital.

During preparing of separate financial statements, investments in subsidiaries, jointly controlled and associated entities shall be shown in successful efforts accounting.

Consolidated Financial Statements is Financial Statements of the Group and represented as if it had been prepared by a single economic entity.

Accounts receivable is the requirements to customers, related parties and third persons for receiving cash, goods or services. Accounts receivable is non-derivative financial assets with fixed or determinable payments and which is not quoted on active market.

For the purposes of financial reporting debtor indebtedness is classified as either a short-term or a long-term one. Accounts receivables are classified as short-term one if it is supposed that its repayment will be made within 12 months, or it is for sale. Any other debtor indebtedness is classified as long-term one.

Accounts receivables are classified as trade and other debtor indebtedness. Trade accounts receivable is the amounts that buyers shall pay for the final products and goods that are sold in the procedure of course of business activity of the Group.

Other accounts receivables arises during various operations and can be written promise to make payment or provide for goods or services (for example: prepayments, dividends and interests for receiving; the requirements to insurance companies for the occurred events insured; the requirements to the state authorities on tax return and etc.). These types of assets are not financial instruments and are not under the power of IFRS (IAS) 32 "*Financial Instruments: Presentation of information*" and IFRS (IAS) 39 "*Financial Instruments: Recognition and Estimation*". Non trade debtor indebtedness is not subject to discounting.

Accounts payable shall mean the Group's obligations as a result of made various transactions and are the legal basis for further payments for goods, performed works and rendered services. Obligations are estimated by amount of money which is necessary to repay the debt. Accounts payable is taken into account since its inception and is valid till compensation. Write-off of credit indebtedness on the off-balance accounting is performed on the expiration of the statute of limitations in accordance with the Civil Code of the Republic of Kazakhstan.

### ***Loans and Credits***

Credits and loans are initially recognized at cost. After initial recognition, loans and credits are expressed according to amortized cost and any difference between actual cost and the settlement value is recognized in the report about total income using the method of effective rate of the interest during the whole period till compensation.

Trade and other credit indebtedness

Trade and other credit indebtedness are reflected at cost.

Commodity stocks are assets:

- a) intended for sale in the procedure of business course;

- b) in the process of production for such sale, or
- c) in the form of materials or raw to be consumed in the process of production or provision of services.

Goods which are bought and are for resale are related to reserves. Net cost of reserves shall include all charges for purchase, expenses for conversion and other costs incurred in order to providing for current location and status of reserves.

Net cost of the collected agricultural products received from biological assets in accordance with the IFRS (IAS) 41 "Agriculture" reserves which consist of collected agricultural products which the Group has received from its biological assets at initial recognition shall be measured at fair value at the moment of acquisition with the deduction of the estimated costs for sale. This is the net cost of reserves on the said date. In accordance with the Group's accounting policy writing-off of reserves in the account is made by the method of weighted average cost.

#### ***Intangible assets***

Recording is made in accordance with the IFRS 38 "Intangible Assets". After recognition of intangible assets are valued at initial cost which consists of cash expenses for their buying or creation of an object in the Group, including paid non-refundable taxes and fees and other charges directly connected with bringing of the objects of intangible assets into ready condition for use on orders. The cost of intangible assets is subject to monthly amortization using a method of linear (regular) write-off and is terminated after full write-off of their original cost. The useful service of intangible assets is determined by the expert committee of the Group and on the basis of lease contract on land plots located on the right of use. In the consolidated financial statements intangible assets are represented by the right of using of land plots for agricultural purposes.

#### ***Property assets***

Property assets of the Group are accounted in accordance with the IFRS 16 "Property assets" Property assets of the Group are stated at revalued amount which corresponds to the market cost as of March 31, 2012. At selling revalued assets amounts reflected in the revaluation reserve are transferred to retained earnings. Property assets bought for the purpose of using in the activities of the Group are reflected in property assets and for the purpose of resale as part of commodity stocks.

Depreciation of property assets is calculated by the method of straight (straight line) depreciation using the depreciation rates stated by the Accounting policy of the company. Future economic benefits included in an asset are consumed by the Group mainly through its use. Proposed useful service terms of property assets are the following:

Buildings and constructions	5-80 years;
Installations and equipment	5-12.5 years;



Vehicles	5-10 years;
Facilities and furniture	5-10 years;
Significant components	3-5 years;
Other property assets	3 years.

Depreciation of property assets starts from the first day of the month following the month when the asset is ready for exploitation, and ends from the first date of the month following the month of termination of its recognition. In case of downtime of the property assets depreciation on it does not stop.

Depreciation is calculated monthly and the amount of depreciation expenses for each month shall be recognized in profit or loss, depending on the functions within the Group, as net cost of realization and administrative expenses, respectively.

Depreciation and amortization of an asset stops, starting from the earlier of two dates: the date of transfer in assets provided for sale (or including in the retiring group which is classified as provided for sale) in accordance with IFRS (IFRS) 5 "*Long-term assets provided for sale and discontinued activity*" or the date of cancellation of recognition of the asset.

### ***Revenues and expenses***

Revenue from the main operational activity of the Group is the income earned from the sale of agricultural produce and resell of the purchased goods.

Revenue is gross inflow of economic benefits for a certain period in the ordinary course of business of the Group, which leads to an increase in capital not related to the contributions of participants in the capital.

The word "Revenue" shall mean only the gross inflows of economic benefits received and receivable by the Company and subsidiary companies on their account. Amounts received on behalf of a third party, as well as value-added tax, are not received economic benefits and do not lead to an increase in capital. That is why they are excluded from income.

Income from the main operational activity of the Group is divided into the following components:

- Income from sale of final products;
- Income from sale of goods;
- Government grants;
- Change of fair value of agricultural products

Expenses included in net cost of final products and goods are expenses directly connected with the manufacture of finished products and purchased goods which were sold and are reflected as income in the reporting period.

The group divides net cost of realization on the following components:

- Net cost of realized manufactured final products;
- Net cost of sold goods.

Net cost is recognized as an expense in a report about incomes and losses in the period when it was recognized agreeable income.

### **Taxation**

The calculation and payment of taxes and other obligatory payments to the budget the Group performs in the procedure stated by the Tax Legislation of the Republic of Kazakhstan. Pension accruals are held at the rate specified by the legislation of the Republic of Kazakhstan, from income received for the calculation of pension contributions for each employee of the Group. The object of taxation in the Group is the property and actions, with the presence of which the Group has tax liabilities, such as charging of the corporate income tax, withholding income tax, social tax, property tax, land tax, vehicle tax and other possible tax obligations. The procedure of calculation, payment terms and the provision of tax reporting on these taxes shall be performed in accordance with current tax legislation.

Taxable profit (tax loss) is income (loss) for the period which is determined in accordance with the Internal Tax Code of the Republic of Kazakhstan, for which income taxes shall be paid. Income tax expense (income tax benefit) is an aggregate amount included in the profit or loss for the period of in respect of current tax and deferred tax. Current tax is the amount of income taxes payable (recoverable) in respect of taxable profit (tax loss) for the period. Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences.

### **3. The information to the consolidated statement of financial performance of companies "Agro Atameken" JSC for the first half-year of 2012.**

Consolidated statement of financial position of "Agro Atameken" JSC compiled for the period since January 1, 2012 to June 3, 2012.

#### **Amount of fund and equivalents (line 10 of consolidated balance sheet).**

	<b>June 30, 2012</b>	<b>December 31, 2011</b>
Money in bank accounts	69 316	99 961
Cash on hand in the national currency	65 284	37826
<b>Total</b>	<b>134 600</b>	<b>137 787</b>

The amount of The amount eliminated turnover is consist of **2,268,279 thousand tenge**, the turnover for 2011 consist of **1,709,488 thousand tenge**.

**Short-term account receivables (line 12) amounted 2,099,732 thousand tenge, on December 31,2011 - 1808199 tenge**

In the table presents information on major debtors:

№	Contractor	Indebtedness as of June 30, 2012	Indebtedness as of December 31, 2011	The subject of indebtedness
1	Korneevka-Yesil, LLP.	6 001	6 604	Len trade
2	Bogatoe, LLP		24 489	Spare parts
3	Atameken Astyk, LLP.	3 256	11 678	Materials
4	Vita Industri	61 987	61 987	Colza
5	Dikhan + LLP	93 672	74 857	Seed, pesticides
6	Atameken Agro, LLP.	343 991	330 941	Services, grain, spare parts
7	Shatilo and K, LLP	343 265	148 088	Chemicals, spare parts
8	Atameken Agro Yesil, LLP.	285 469	279 528	Services, grain, spare parts
9	Vegetable oil Borovoye, LLP.	2 794	12 052	Colza
10	Michurinskiy, LLP.	229 757	187 651	Seeds, pesticides, spare parts
11	Asia-Tarangul, LLP.	0	9 090	Wheat
12	Anagro Group LTD	109 521		Rape
13	BVBA Vanhule	0	234 798	Flax, rape
14	Maslodel, LLP.	0	123 289	Rape
15	C.Thywissen	0	88 600	Flax
16	Galitskoe, LLP.	67 929	11 257	Seed
17	Koluton-95, LLP.	2 952	15 616	Wheat
18	Elevatormelmontazh, LLP.	0	20 300	Construction services
19	Concern Tsesna Astyk, LLP.	0	21 388	Wheat
20	PSH, LLP.	15 181	9 707	Pesticide
21	Duvanov, KH	4 268	9 663	Seed
22	Hamburger L	120 958		Rape
23	EXPOGrain	255 486		Wheat
24	AgroTses, LLP.	23 181		Seeds, poisons
25	Dostyk-06, LLP.	6 424		Pesticide
26	Virgin-2004, LLP.	12 000		Flax
27	Atameken Agro Ozernoe, LLP	7 021		Spare parts, service

**Stocks (line 13 of consolidated balance sheet)**

Name of commodity stocks	Residue as of June 30, 2012	Residue as of December 31, 2011
raw materials	459 738	477 665
fuel	79 021	55 141
spare parts	261 146	141 482
materials	64 066	41 406
work in process	1 841 749	227 983

finished goods	538 658	2644 292
goods	8 558	641 089
Total:	3 252 936	4 229 058

**Current tax assets (line 14 of consolidated balance sheet) are:**

<b>June 30, 2012</b>	<b>December 31, 2011</b>
483 040	432 150

This line reflects the amount of advances for taxes and the excess of VAT related to the credit of the assessed.

**Other current assets (line 16 of the consolidated balance sheet) are 10 436 320 KZT for the previous period 10 322 746 KZT**

Short-term assets include given prepayments on contracts of futures for buying final products from agricultural forming and pre-payment for the purchase of petroleum, seeds and spare parts. Eliminated turnover on prepayments for the period of the half-year of 2012 is 2 593 719 thousand KZT.

Major debtors of given prepayments:

№	Name of the enterprise	The balance as of June 30, 2012	The balance as of December 31, 2011
1	Yesil Atameken Agro "LLP	776 957	874 122
2	Atameken Astyk, LLP.	3 210 806	2 902 569
3	Atameken-Agro LLP	3 169 677	3 437 121
4	Atameken Agro Ozernoe, LLP	639 847	622 405
5	Shatilo K, LLP	846 353	977 477
6	Korneevka-Yesil, LLP.	103 051	76 460
7	Dikhan Plus, LLP.	317 058	250 219
8	Michurinsky, LLP.	621 335	482 817
9	PSH, LLP.	272 029	202 305
10	BSB Logistik AG	59 460	135 077
11	CanamenginesGMBH	0	54 993
12	Maskinfabrikken Reka	34 440	
13	Gimbria Held	31 838	
14	Eurasia group	32 073	
15	Eximcom Ou	72 685	

**Long-term accounts receivables (line 21 of consolidated balance sheet) is:**

№	Name of the enterprise	Indebtedness as of June 30, 2012	Indebtedness as of December 31, 2011
1	<i>Loan to employees</i>	42 008	46 477
2	Atameken Astyk, LLP.	1 080 354	1 038 360
3	Atameken Agro, LLP.	709 182	548 674

4	Dikhan Plus, LLP.	185 887	175 369
5	Korneevka-Yesil, LLP.	220 404	207 933
6	Michurinsky, LLP.	243 739	191 826
7	Atameken AgroEsil, LLP.	252 432	216 079
8	Shatilo and K	80 816	
	Total	2 814 822	2 424 718

#### Investment Property (Line 23 of consolidated balance sheet)

In the table provides information on investment properties of group of companies

№	Group of fixed assets	Location	The Balance value as of June 30, 2012	The Balance value as of December 31, 2012
1	Buildings of canteens	North Kazakhstan region	4 839	5 025
2	Office building in Astana city			22 791
			4 839	33 816

#### Fixed assets (Line 24 of consolidated balance sheet)

№	Group of fixed assets	The Balance value as of June 30, 2012	The Balance value as of December 31, 2011
1	Buildings and facilities	2 644 808	2 693 247
2	Machinery and equipment	1 514 425	1 422 407
3	Vehicles	2 634 179	2 824 691
4	land	28 762	31 951
5	Other fixed assets	103 451	110 743
	Total	6 925 625	7 083 039

#### Intangible asset (Line 27 of consolidated balance sheet)

Groupups of intangible asset	The Balance value as of June 30, 2012	The Balance value as of December 31, 2011
Right to use the ground areas	5 027 865	5 090 742
Software	488	135
Total	5 028 353	5 090 877

#### Deferred tax assets (Line 28 of consolidated balance sheet)

	The balance as of June 30, 2012	The balance as of December 31, 2011
Deferred tax assets	538 249	538 249

#### Other long-term assets (line 29 of the consolidated balance sheet)

Other long-term assets include uncompleted construction of objects of oil base, car park, hotel, complex on cleaning seed for the following companies in the group of companies in thousand KZT:

	The balance as of June 30, 2012	The balance as of December 31, 2011
"Atameken Agro Korneevka" LLP	0	2 574
"Atameken Agro Timiryazevo" LLP	165 907	165 834
"Atameken Agro Tselinnyi" LLP	90 074	73 530
"Sagat SK" LLP	18 797	1 514
"Atameken Agro Shukyrkol" LLP	19 596	9 661
"Agro Atameken" JSC	25 479	25 479
<b>Total</b>	<b>319 853</b>	<b>278 592</b>

Short-term financial obligations are 6 347 183 thousand KZT as of December 31, 2011 are 5 556 395 thousand KZT and indebtedness on them is presented in the following table:

Name of creditor	Type of liability	Borrowing currency	Rate of remuneration, %	The balance as of June 30, 2012	The balance as of December 31, 2011
Asia Credit Bank	loan	KZT	14	357 262	699 922
Savings Bank of Russia	loan	KZT	14	4 444 132	3 422 301
Savings Bank of Russia	loan	USD	10	0	808 780
"Halyk Bank" JSC	loan	KZT	15	0	39 375
"Agrarian Credit Corporation" JSC	loan	KZT	6	1 160	11 758
"Astana Finance Leasing Company" JSC	leasing	KZT	6-month LIBOR, 6 month Euribor 6%	250 193	227 185
"Astana Finance Leasing Company" JSC	leasing	USD	7	0	72 220
"KazAgroFinance" JSC	leasing	KZT	4,14	13 948	25 263
Bondholders	Вознаграждение	KZT	11,3	184 437	192 598
Shareholders	Dividends on ordinary shares	KZT		80 618	56 538
Shareholders	Dividends on preferred shares	KZT	700/ unit	1 013 920	
<i>State Administration of Land Relations</i>	Rental	KZT		1 513	455

**Tax liability (line 31 of consolidated balance sheet)**

	The balance as of June 30, 2012	The balance as of December31, 2011
	98 406	73 319

**Obligations under other compulsory payments (line 32 of consolidated balance sheet)**

	The balance as of June 30, 2012	The balance as of December31, 2011
	8 362	16 409

**Short-term of credit indebtedness (line 33 of consolidated balance sheet)**

As of June 30, 2012 the short-term accounts receivables is **1 746 066 thousand KZT**, the turnover of elimination for the period of half-year of 2012 amounted is **3 049 105 thousand KZT** as of December 31, 2011 is **1 401 285 thousand KZT**

The following table shows the major creditors:

Name of creditor	Indebtedness as of June 30, 2012	Indebtedness as of December31, 2011	The subject of indebtedness
ST Agro, LLP.	11 300	0	spare parts
Bayer Kaz, LLP.	54 602	0	pesticide
Eastern Oil Company, LLP.	4 373	0	petroleum
Kazphosphate, JSC.	6 120	0	mineral fertilizers
<i>Export KazAgro</i>	6 758	0	fixed assets
			flax
Agro Circuit FH	8 782		spare parts
Tarangul Toray, LLP.	66 127	68 306	fixed assets
Astyk Service, LLP.	904 329	576 854	herbicides
Agrosoyuzservis, LLP.	8 781		fixed assets
Atameken Agro, LLP.	278 623	230 846	service, fixed assets
Hizhnyak FE	2 880	4 025	pesticide
Logos, Trade, LLP.	25 955	300 000	grain
Corban FE	3 073		spare parts
PSH, LLP.	8 319	0	commodity and material valuables
Arp, LLP.	10 133		wheat
Dikhan Plus, LLP.	4 005	3 618	fixed assets
Agricultural Machinery Service, LLP.	0	5 965	fixed assets
Atameken Agro Yesil, LLP.	9 229	8 828	services
Korneevka Yesil, LLP.	24 863	12 874	Storage services
Abubakarov, CH	0	8 775	grain
Toy, CH	5 020	4 150	wheat
Akseleu, LLP.	0	17 177	flax
Azko, LLP.	0	25 302	flax

Grain Trade, LLP.	120 626		grain
Canamengines Gmbh	96 525		spare parts

**Short term estimated liabilities (line 34 of consolidated balance sheet)**

	The balance as of June 30, 2012	The balance as of December31, 2011
<i>Provision for unused vacation</i>	24 749	32 547

**Other short-term obligations (line 35 of the consolidated balance sheet)**

Other short-term obligations as of June 30, 2012 are represented in advance for coming implementation of wheat, rape, flax and fixed assets.

	The balance as of June 30, 2012	The balance as of December31, 2011
"Atameken Agro" LLP	1 670	296 150
Agrimer LLP	565 108	220 134
"Abzal" LLP	71 840	125 840
«ExpoGrain» LLP	358 146	500 000
"Vitalmar» LLP	24 000	60 000
"Atameken Yesil Agro" LLP	9 313	12 494
"Agro Nan North" LLP		12 316
"Agrosoyuz Service» LLP	998	10 000
"Farmer 2002" LLP	0	
"May" JSC		37 500
DaxinPetroleum PTE LTD	80 800	597 071
Logos, Trade, LLP	271 344	
Kunar TradeLLP	38 412	
MaslodelLLP	300 000	
Other	6 683	7 847
<b>TOTAL</b>	<b>1 728 314</b>	<b>1 879 352</b>

**Long-term financial obligations (line 40 of the consolidated balance sheet) are 4 362 462 thousand KZT as of December 31, 2011 were 4 353 013 thousand KZT and are presented in the table as follows:**

Name of creditor	Type of obligation	Borrowing currency	Fee rate,%	The balance as of June 30, 2012	The balance as of December31, 2011
<i>Bondholder</i>	Coupon bonds, without providing	KZT	11,3	3 906 681	3 897 234



"KazAgroFinance" JSC	Leasing	KZT	from 4 to 14	98 271	98 271
"Astana Finance Leasing Company" JSC	Leasing	KZT	6-month LIBOR, 6 month Euribor 6%	287 078	287 076
State Administration land relations	Rental	KZT		12 595	12 595
Autonomous Agrarian Credit Corporation JSC	Loan	KZT	6	57 837	57 837

**Deferred tax liabilities (Line 43 of consolidated balance sheet)**

	<b>The balance as of June 30, 2012</b>	<b>The balance as of December31, 2011</b>
	1 829 845	1 829 845

**Liabilities for preferred shares (Line 44 of consolidated balance sheet)**

	<b>The balance as of June 30, 2012</b>	<b>The balance as of December31, 2011</b>
	8 703 175	8 703 175

<b>Owners capital</b>	<b>The balance as of June 30, 2012</b>	<b>The balance as of December31, 2011</b>
	7 171 807	8 533 891

**Calculation of the carrying value of one ordinary share as of June 30,2012:**

<b>№</b>	<b>Indicators</b>	<b>Amount</b>
1	Assets in the balance sheet, thousands of KZT	32 038 369
2	Intangible assets on the balance sheet, thousands of KZT	5 028 353
3	Short-term and long-term liabilities in the balance sheet, thousands of KZT	24 866 562
4	Number of common shares, units	8 999 327
5	The balance of preferred shares in the capital, thousands of KZT	5 781 395
6	Net assets for common shares ((page 1, page 2) - page 3 page 5), thousands of KZT	(3 637 941)
	The carrying value of one common share at June 06, 2012 (line 6 / line 4), KZT	(404,25)

**The calculation of carrying amount of one preferred share of 1 Group**

1.	Capital belonging by preferred shares of 1 group, thousands of KZT	5 781 395
2.	Accrued dividends, thousands of KZT	1 013 920

3.	Sponsored dividends thousands KZT	
4.	The balance of the dividends, thousands of KZT	1 013 920
5.	Number of preferred shares, units	1 448 457
6.	The debt component of preferred shares, thousands of KZT	8 703 175
6.	The carrying value of 1 preference share in 1 group as of June 30, 2012, Tenge (Line1 + Line 4 + Line 6) / page 5	10 700

4. The information to the consolidated statement about the aggregate income of "Atameken Agro" JSC for the period of half-year of 2012

Notice to 44. The eliminated turnover for the period of half-year of 2012 compound 3 056 571 thousand KZT, for the previous period it was 550 319 thousand KZT.

Income from the sale	For the reporting period		For the prior period	
	Quantity, t	Amount	Quantity, t	Amount
wheat	207 794	3 556 438	47 453	2 067 317
barley	5 260	95 393	505	16 340
rape	8 629	680 923	3 508	309 249
flax	39 293	2 878 151	12 100	1 359 200
rye			5 077	150 281
sunflower	2 958	146 167		
peas	56	1 248	2 507	109 829
spare parts		231 766		122 830
pesticides		406 943		271 404
services		22 848		7 846
Leasing of fixed assets		378 085		
Other		44 899		46 146
<b>Total</b>		<b>8 442 861</b>		<b>4 460 442</b>

The income from subsidies for the period of half-year of 2012 compound 90 695 thousand KZT, for the previous period it was 0 KZT.

Notice 45.

Cost of sales	For the reporting period	For the prior period
<i>Salaries expense</i>	210 807	164 436
<i>Earnings contribution</i>	20 311	10 805
<i>capital consumption</i>	553 153	413 400
<i>Expenses on materials</i>	5 587 689	2 418 438
<i>overhead expenses</i>	117 186	17 932
<b>Total</b>	<b>6 489 146</b>	<b>2 989 147</b>

Notice 46

Financial income	For the reporting period	For the prior period
<i>indexing</i>	840	

<i>Interest on deposit</i>		
<i>Exchange difference</i>	0	28510
<i>Reward for leasing</i>	3 514	
<i>Amortization of discount of debts receivable</i>	125 078	
<i>Other</i>	37	
<b>Total</b>	<b>129 469</b>	<b>28 510</b>

Notice 47

<b>Other incomes</b>	<b>For the reporting period</b>	<b>For the prior period</b>
<i>Cheapening of fertilizers</i>	12 690	
<i>Privilege of VAT</i>	54 815	
<i>penal sanctions under economic contracts</i>	597	
<i>Rent of transport and facilities</i>	1 079	
<i>Other</i>	85	14 428
<i>Income from realization of fixed assets</i>		
<i>Income from write-off of doubtful debts indebtedness</i>	388	
<i>Bonus allowance of grain on elevator</i>	5 837	
<b>Total</b>	<b>75 491</b>	<b>14 428</b>

Notice 48

<b>Expense of realization of products and services</b>	<b>For the reporting period</b>	<b>For the prior period</b>
<i>Expenses of transportation</i>	1 083 980	262 085
<i>Service of elevators</i>	101 641	35 981
<i>Inspection of cargo</i>	27 524	10 486
<i>Insurance of cargo</i>	3 209	3 774
<i>Brokerage service</i>	3 040	1 152
<i>Certification, customs clearance of export goods</i>	55 821	
<i>Other</i>	1 635	3 617
<b>Total</b>	<b>1 276 850</b>	<b>317 095</b>

Notice 49

<b>Administration expenses</b>	<b>For the reporting period</b>	<b>For the prior period</b>
<i>Amortization</i>	41 369	52 536
<i>Payment for labour and deductions</i>	130 397	79 171
<i>Business trip expenses</i>	7 459	4 827
<i>Community charges</i>	3 639	3 555
<i>Taxes</i>	17 219	35 025
<i>Fines and penalties</i>	4 978	3 255

<i>Maintenance of office machines</i>	17 136	9 346
<i>Communication services</i>	7 059	7 471
<i>Bank services</i>	12 983	13 326
<i>Sponsorships</i>	19 458	8 051
<i>Expenditure of social and cultural life</i>		
<i>Legal services, underwriting</i>	19 937	3 425
<i>Membership dues</i>	950	
<i>Material costs</i>	12 828	8 387
<i>Other expenses</i>	4 167	2 008
<i>Services of outside organizations</i>	9 056	
<b>Total</b>	<b>308 635</b>	<b>230 383</b>

Notice 50

<b>Financial expenses</b>	<b>For the reporting period</b>	<b>For the prior period</b>
<i>Interest on bonds</i>	223 597	307 635
<i>Interest on loans and leasings</i>	533 645	351 057
<i>Indexation</i>	1 171	2 605
<i>Exchange difference</i>	61 420	2 178
<i>The bank commission at issuing the loan</i>	13 000	106
<i>Others</i>	942	4 337
<i>The expenses for placing and buy-out of bonds</i>		323 109
<i>Amortization of discount on bonds</i>	15 160	15 139
<i>Dividends on preferred shares</i>	609 264	609 264
<i>Discount on long-term debtor indebtedness</i>		
<i>Provision for short-term debtor indebtedness</i>	7 215	
<b>Total</b>	<b>1 465 414</b>	<b>1 615 430</b>

Notice 51

<b>Other expenses</b>	<b>For the reporting period</b>	<b>For the prior period</b>
<i>Rent of transport,</i>	5 873	6 772
<i>Impairment of investment property</i>		549
<i>The realisation of fixed assets</i>	25 299	1 253
<i>Exchange difference</i>		
<i>Others</i>	324	231
<b>Total</b>	<b>31 496</b>	<b>8 805</b>

**The calculation of basic earnings per ordinary share**

№	Indicators	Amount
1	Net profit for the period, thousands KZT	(839 511)
2	Dividends on preferred share in the capital	(404 621)
3	Weighted average number of common shares, units	8 999 327
4	<b>Basic earnings per one ordinary share as of June, 2012</b> (line 1+line2)/line 3) , KZT	(138,25)

**1. The calculation of diluted earnings per ordinary share**

<i>Indicator</i>	<i>Preferred shares</i>	<i>Ordinary shares</i>	<i>Total</i>
5. Weighted average number of in view of convertible	1 448 457	8 999 327	10 447 784
<b>Diluted earnings (line1+line 2)/line 5), tenge</b>			<b>(119,08)</b>

General Director

Accountant-general



*[Handwritten signatures]*

Dzhazin F.A..

Tsygankova Y.I.