



Kcell JSC opens its first branded store in Almaty

Almaty, 16 March 2015 - Kcell Joint Stock Company ("Kcell" or the "Company") (LSE, KASE: KCEL) the leading provider of mobile telecommunications services in Kazakhstan by market share in terms of revenue and subscribers, announces the opening of its first branded Kcell Store in Almaty, taking a brand new approach to retail design. The Company has changed its retail business model and is setting a new trend in the telecoms market by realising synergy in combining a shop and club to deliver superior customer experience. The new store concept provides customers with an opportunity to seek advice on different gadgets and various mobile applications from Kcell's store consultants, as well as the ability to test all smartphone features prior to making a purchase.

The first Kcell Store offers a full range of iPhone handsets along with other popular models by Samsung, LG, HTC, and Lenovo smartphones. The store area is divided into several special zones, including a lounge, a customer service desk, as well as sales and testing area. The Company plans to open Kcell Stores in other major cities of Kazakhstan.

Arti Ots, CEO of Kcell, commented: "Kcell is the first provider in Kazakhstan to implement the innovative concept by combining sales and hospitality and top level service. With data growth become the key market trend, customers are seeking more information on new services, state-of-the-art technologies and package deals in an efficient and comfortable setting."

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Company Overview

Kcell provides mobile voice telecommunications services, messaging services, value-added services such as multimedia and mobile content services, as well as data transmission services including internet access. It has two brands: the Kcell brand, which is targeted primarily at corporate subscribers (including government subscribers), and the Activ brand, which is targeted primarily at mass market subscribers. The Company offers its services through its extensive, high quality network which covers substantially all of the populated territory of Kazakhstan.

In December 2012, Kcell successfully completed its offering of GDR's on the London Stock Exchange and common shares on KASE. The price was set at USD 10.50 per GDR and KZT 1,578.68 per share with each GDR representing one share. The offering consisted of a sale by TeliaSonera of 50 million shares, which represent 25 percent of Kcell's share capital. TeliaSonera holds directly and indirectly 61.9% of the Company's common shares.

Kcell plans to benefit from the significant growth potential for mobile data services in Kazakhstan. The Company intends to continue to invest in the deployment of its 3G network to expand coverage. Kcell aims to maintain its market leadership in terms of revenue and the number of subscribers by offering its products and services at competitive prices, expanding its offering of products and services, maintaining the high quality of its network and enhancing its brand value.