



**Consolidated Financial Statements prepared in accordance
with International Financial Reporting Standards
for the three month period ended 31 March 2014
(Unaudited)**

Translated from the original Russian version

KCELL JSC
Consolidated Statement of Financial Position (Unaudited)

<i>In thousands of Kazakhstani Tenge</i>	Note	31 March 2014 Unaudited	31 December 2013 Audited
ASSETS			
Non-current assets			
Property, plant and equipment	4	109,537,315	112,368,845
Intangible assets	5	13,075,948	13,954,545
Other non-current assets	6	3,422,190	3,130,944
Total non-current assets		126,035,453	129,454,334
Current assets			
Inventories		354,095	499,180
Trade and other receivables	7	10,467,051	9,268,357
Prepaid current tax		2,185,938	834,480
Due from related parties		45,048	306,862
Cash and cash equivalents		35,953,718	18,916,258
Total current assets		49,005,850	29,825,137
TOTAL ASSETS		175,041,303	159,279,471
EQUITY			
Share capital	8	33,800,000	33,800,000
Retained earnings		79,028,462	63,392,942
TOTAL EQUITY		112,828,462	97,192,942
LIABILITIES			
Non-current liabilities			
Deferred income tax liability	14	5,261,570	5,231,448
Other non-current liabilities		1,388,104	1,426,245
Total non-current liabilities		6,649,674	6,657,693
Current liabilities			
Borrowings	10	23,525,770	24,721,178
Trade and other payables	9	24,937,332	21,490,816
Due to related parties		343,608	502,045
Deferred revenue	11	5,400,480	7,346,686
Taxes payable		1,355,977	1,368,111
Total current liabilities		55,563,167	55,428,836
TOTAL LIABILITIES		62,212,841	62,086,529
TOTAL LIABILITIES AND EQUITY		175,041,303	159,279,471
Book value per common share (tenge)	16	498.76	416.19

KCELL JSC
Consolidated Statement of Profit or Loss (Unaudited)

<i>In thousands of Kazakhstani Tenge</i>	Note	For three months ended	
		31 March 2014	31 March 2013
Revenues	12	44,107,191	43,053,026
Cost of sales	13	(18,468,113)	(18,626,504)
Gross profit		25,639,078	24,426,522
Selling and marketing expenses	13	(2,943,374)	(3,895,884)
General and administrative expenses	13	(2,402,071)	(2,640,984)
Other operating income		164,500	88,621
Other operating expenses		(602,991)	(22,677)
Operating profit		19,855,141	17,955,598
Finance income		138,097	36,897
Finance expense		(417,728)	(649,002)
Profit before income tax		19,575,511	17,343,493
Income tax expense	14	(3,939,990)	(3,687,708)
Profit for the year		15,635,520	13,655,785
Other comprehensive income		-	-
Total comprehensive income for the year		15,635,520	13,655,785
Earnings per share (Kazakhstani Tenge), basic and diluted	8	78.2	68.3

KCELL JSC
Consolidated Statement of Changes in Equity (Unaudited)

<i>In thousands of Kazakhstani Tenge</i>	Charter / Share capital	Retained earnings	Total equity
Balance at 1 January 2013	33,800,000	32,403,052	66,203,052
Total comprehensive income for the year	-	13,655,785	13,655,785
Dividends declared	-	-	-
Balance at 31 March 2013	33,800,000	46,058,837	79,858,837
Balance at 1 January 2014	33,800,000	63,392,942	97,192,942
Total comprehensive income for the year	-	15,635,520	15,635,520
Dividends declared	-	-	-
Balance at 31 March 2014	33,800,000	79,028,462	112,828,462

KCELL JSC
Consolidated Cash Flow Statement (Unaudited)

<i>In thousands of Kazakhstani Tenge</i>	For three months ended	
	31 March 2014	31 March 2013
Cash flows from operating activities		
Net income	15,635,520	13,655,785
Adjustments for:		
Depreciation of property, plant and equipment	4,968,507	5,341,425
Amortisation of intangible assets	849,323	431,241
Income taxes	(1,321,336)	59,007
Impairment of trade receivables	235,865	83,697
Finance costs	419,818	612,104
Losses less gains on disposal of property, plant and equipment and intangible assets	61,570	33,520
Operating cash flows before working capital changes	20,849,267	20,216,779
Trade and other receivables	(1,434,333)	(5,228,173)
Due from related parties	261,814	(284,787)
Inventories	145,085	129,054
Taxes payable	(12,134)	(75,833)
Trade and other payables	3,333,845	1,957,541
Due to related parties	(158,437)	58,185
Deposits received from subscribers	(313,999)	(4,185)
Deferred revenues	(1,632,207)	(480,993)
Restricted cash	435	7,689
Cash generated from operations	21,039,336	16,295,277
Interest paid/received	(503,876)	(5,715)
Net cash from operating activities	20,535,460	16,289,562
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,467,995)	(4,951,663)
Purchase of intangible assets	(80,005)	(312,533)
Net cash used in investing activities	(2,548,000)	(5,264,196)
Cash flows from financing activities		
Repayment of borrowing	3,000,000	-
Dividends paid	(3,950,000)	(3,950,000)
	-	(8,000,000)
Net cash used in financing activities	(950,000)	(11,950,000)
Net increase / (decrease) in cash and cash equivalents	17,037,460	(924,634)
Cash and cash equivalents at beginning of the year	18,916,258	3,075,138
Cash and cash equivalents at end of the year	35,953,718	2,150,504